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EMPLOYEE BENEFITS

1988 EDITION

Survey Data From Benefit Year 1987

Research Center, Economic Policy Division
U.S. Chamber of Commerce
1615 H Street, N.W.
Washington, DC 20062

U.S. CHAMBER
RESEARCH CENTER

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1. INTRODUCTION

This survey of employee benefits brings the reader significantly more details and information than previous surveys. For the first time, *Employee Benefits* includes separate benefits data for salaried employees and hourly-paid employees.

The study of employee benefits issues is more than just a matter of idle curiosity. In the past year, a number of bills have been introduced in Congress that would mandate employers to provide health care, parental leave and other benefits at federally mandated levels. With the information provided in this survey, employers can determine the impact of such legislation by analyzing the cost of providing benefits to their employees and by understanding the full cost of an individual employee.

This is the twenty-sixth survey of employee benefits conducted by the U.S. Chamber of Commerce. Initially, *Employee Benefits* was published every two years. However, due to an increasing concern about the cost of benefits, the survey has been published annually since 1979.

The study was made possible only with the cooperation of the many firms who conducted extensive research to furnish the information requested, frequently at considerable cost to them. We wish to thank them for their help.

This year's employee benefits survey was conducted by Martin Lefkowitz with the assistance of Orawin Velz and Kristin Olmstead. Design and typesetting was carried out by Thomas Lent.

Richard W. Rahn
Vice President and
Chief Economist

November, 1988

2. SUMMARY OF FINDINGS

This year, we are publishing data separately for hourly-paid and salaried employees (Tables 4a, 4b, and 4c). The data for the hourly-paid employees is based on a subsample of 287 firms that reported hourly-paid and salaried employees separately.

1. Employee benefit payments varied widely among the 910 participating companies. Nearly 2 percent of survey participants expended 18 percent of total payroll on benefits, while nearly 2 percent of survey participants expended as high as 60 percent of total payroll. The amount of benefits paid per year per employee ranged from less than $3,500 to more than $13,000 (Table 1).

2. The average payment in 1987 was 39.0 percent of payroll, $5.13 per payroll hour, and $10,708 per year per employee (Table 2).

3. Industry payments varied widely. The textile and apparel industries averaged 28.5 percent of payroll, while primary metals industries paid more than 50 percent (Table 6).

4. Highest payments were made in the East North Central states paying 44.1 percent of payroll for benefit payments. The Northeast paid the lowest—36.2 percent (Table 9).

5. Larger firms generally paid more benefits than smaller firms (Table 10).

6. Payments for pensions, savings and/or profit sharing plans were reported by 779 companies, or 85.6 percent of the firms participating in this year's survey (Table 11). Pensions and related payments averaged 6.6 percent of payroll (Table 4).

7. Health and life insurance programs became almost universal. Ninety-nine percent of the firms participating in this year's survey indicated that they made at least some payment toward employee health insurance, while 91 percent provided at least some life insurance coverage (Table 13).

8. Employee payroll deductions for benefits included 3.0 percent for pensions and savings plans, 0.9 percent for hospitalization and surgical insurance, and 0.8 percent for life insurance and other benefits (Table 15).

An Additional Note

We have expanded our survey to better reflect total employer costs for all benefit payments made by employers. For example, data on health insurance for retirees and former workers and the cost of administering pension plans were surveyed starting in 1986. This resulted in a benefit level of approximately 1.0 percent higher. The cost of health insurance for former and retired employees has been deducted by some survey participants when calculating their benefits packages for comparison purposes.

Year	Average payment as a % of payroll
1979	36.6%
1980	37.1
1981	37.3
1982	36.7
1983	36.6
1984	36.6
1985	37.7
1986	38.3 (Excluding benefits for retirees and former workers)
1986	39.3 (Including benefits for retirees and former workers)
1987	38.0 (Excluding benefits for retirees and former workers)
1987	39.0 (Including benefits for retirees and former workers)

3. DISTRIBUTION OF BENEFIT PAYMENTS

Payments for employee benefits varied widely among the 910 participating companies. At one extreme were 16 firms (1.8 percent of the participants) paying less than 18 percent of payroll for benefits, at the other extreme were 14 firms (1.5 percent of the participants) paying 60 percent or more.

The distribution of benefit payments for the 910 firms is shown in Table 1.

Ten percent of the firms paid more than 45.6 percent of payroll for benefits, while 25 percent of the firms paid more than 39.6 percent, as shown in Table 2. Half of the firms paid more than 34.3 percent, and 75 percent of the firms paid more than 29.7 percent. The average payment for 1987 was 39 percent, which was similar to the 1986 average (39.3 percent). The mean was larger than the median, or middle point of the distribution of 34.3 percent, since larger firms with greater benefit levels have a greater influence on the average since the survey is weighted by size of payroll.

Corresponding data as cents per payroll hour and as annual dollars per employee are also shown in Table 2.

The distribution of individual company payments by industry groups is shown in Table 3. Within individual industries, benefit payments also varied widely. Payments in the food, beverages, and tobacco industries varied between 24 percent and more than 50 percent. In electrical machinery, equipment, and supplies, they varied from less than 18 percent to almost 55 percent. Some of the variation in the percent of payroll for benefits is due to differences in pension and profit sharing payments, which can vary considerably between firms and even within the same firms from year to year.

TABLE 1. Distribution of Employee Benefits, 1987

Percent of payroll		Cents per payroll hour		Dollars per year per employee	
Percent	Number of companies	Cents	Number of companies	Dollars	Number of companies
Under 18.0%	16	Under 150.0c	24	Under $3,500	33
18.0—19.9	9	150.0—174.9	18	3,500—3,999	27
20.0—21.9	23	175.0—179.9	30	4,000—4,499	27
22.0—23.9	28	200.0—224.9	30	4,500—4,999	29
24.0—25.9	37	225.0—249.9	31	5,000—5,499	38
26.0—27.9	60	250.0—274.9	45	5,500—5,999	50
28.0—29.9	64	275.0—299.9	50	6,000—6,499	57
30.0—31.9	89	300.0—324.9	60	6,500—6,999	46
32.0—33.9	111	325.0—349.9	50	7,000—7,499	53
34.0—35.9	102	350.0—374.9	64	7,500—7,999	63
36.0—37.9	87	375.0—399.9	48	8,000—8,499	51
38.0—39.9	74	400.0—424.9	59	8,500—8,999	50
40.0—41.9	43	425.0—449.9	46	9,000—9,499	44
42.0—43.9	49	450.0—474.9	41	9,500—9,999	42
44.0—45.9	33	475.0—499.9	45	10,000—10,499	45
46.0—47.9	24	500.0—524.9	45	10,500—10,999	35
48.0—49.9	18	525.0—549.9	45	11,000—11,499	36
50.0—54.9	20	550.0—574.9	27	11,500—11,999	31
55.0—59.9	9	575.0—599.9	17	12,000—12,499	20
60.0—64.9	6	600.0—699.9	66	12,500—12,999	19
65.0 and over	8	700.0 and over	69	13,000 and over	114
Total	910	Total	910	Total	910

TABLE 2. Five Levels of Employee Benefits, 1987

Item	As percent of payroll	Cents per payroll hour	Dollars per year per employee
10% of firms paid more than	45.6%	643.9¢	$13,765
25% of firms paid more than	39.6	520.6	10,929
50% of firms paid more than	34.3	402.7	8,260
75% of firms paid more than	29.7	299.8	6,237
90% of firms paid more than	24.8	217.8	4,559
Mean or average payment	39.0%	512.6¢	$10,708

TABLE 3. Distribution of Employee Benefits as Percent of Payroll, by Industry Groups, 1987

			Manufacturing industries														Nonmanufacturing industries							
Total employee benefits as percent of payroll	Total, all industries	Total, all manufacturing	Food, beverage, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excluding machinery and transportation equipment)	Machinery (excluding electrical)	Electrical machinery, equipment and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
UNDER 18.0%	16	2	...	...	...	...	...	...	...	...	...	...	...	1	...	1	14	...	1	4	1	1	...	7
18.0 - 19.9	9	2	...	1	...	...	...	...	...	...	...	...	1	...	...	...	7	...	1	2	1	...	...	3
20.0 - 21.9	23	11	...	2	...	1	...	1	1	...	...	3	...	2	...	1	12	1	...	4	...	...	3	4
22.0 - 23.9	28	12	...	...	1	...	1	3	...	...	...	2	3	...	1	1	16	...	...	7	1	2	...	6
24.0 - 25.9	37	18	2	4	1	3	...	...	1	1	...	1	...	2	1	2	19	2	...	1	3	...	2	11
26.0 - 27.9	60	22	1	3	2	4	3	...	1	...	...	1	1	5	...	1	38	2	1	5	8	4	6	12
28.0 - 29.9	64	32	2	...	3	5	1	2	1	1	1	10	1	2	1	2	32	...	...	2	8	6	5	11
30.0 - 31.9	89	33	4	3	1	1	1	3	3	2	1	3	4	5	...	2	56	4	2	2	8	7	17	16
32.0 - 33.9	111	46	7	2	5	3	1	...	2	2	1	8	4	3	...	8	65	12	...	3	11	8	15	16
34.0 - 35.9	102	43	5	...	3	3	2	2	1	...	2	6	3	6	4	6	59	13	1	1	6	11	10	17
36.0 - 37.9	87	34	3	2	2	3	1	1	3	...	...	5	3	9	1	1	53	18	...	4	6	10	4	11
38.0 - 39.9	74	24	2	1	1	2	...	...	2	1	1	5	1	4	2	2	50	17	...	3	4	9	6	11
40.0 - 41.9	43	13	...	...	...	2	1	...	1	...	1	2	2	1	1	2	30	7	...	...	2	8	3	10
42.0 - 43.9	49	16	1	...	1	...	3	...	1	1	1	4	2	2	...	...	33	15	...	2	...	5	3	8
44.0 - 45.9	33	13	3	1	...	1	...	1	2	1	...	2	...	1	1	...	20	11	...	...	1	4	2	2
46.0 - 47.9	24	10	2	1	...	1	1	...	...	...	1	3	...	...	1	...	14	7	...	...	2	2	1	2
48.0 - 49.9	18	9	...	...	...	...	1	...	2	...	2	2	1	1	...	...	9	2	...	2	...	2	...	3
50.0 - 54.9	20	10	1	...	1	...	...	...	...	...	...	5	...	1	1	1	10	4	...	...	1	2	...	3
55.0 - 59.9	9	4	...	...	2	...	...	...	...	...	1	...	...	...	...	1	5	2	...	...	1	1	...	1
60.0 - 64.9	6	2	...	...	...	...	...	...	...	...	...	...	1	...	1	...	4	1	...	...	1	1	...	1
65.0 & OVER	8	5	...	...	...	...	...	1	...	...	2	1	...	...	1	...	3	...	...	...	...	2	...	1
Total companies	910	361	33	20	23	29	16	14	21	9	14	63	27	45	16	31	549	118	6	42	65	85	77	156
50% of companies paid more than	34.3	34.1	34.1	29.0	32.4	32.1	34.3	30.9	36.6	32.0	41.9	35.3	33.9	34.6	37.5	33.2	34.5	38.6	29.0	27.1	32.2	36.8	32.7	32.8

*Includes research, engineering, government agencies, construction, etc.
... Less than 1

4. AVERAGE BENEFIT PAYMENTS

For the first time, this year's benefit payments data include separate tables for salaried employees and hourly paid-employees. While benefits for hourly-paid employees as a percent of payroll are greater, the dollar cost of benefits given to salaried employees is greater. This data is derived from a smaller sample of firms that could separate benefit costs between hourly and salaried employees.

Employee benefit costs continued to increase in 1987. The average cost per full-time equivalent employee increased from $10,283 per worker in 1986 to 10,708 per worker in 1987. Average benefits as a percent of payroll showed a slight decline from 39.3 to 39.0 percent of payroll, indicating that benefits are increasing, but at a slower pace than pay.

The percent of payroll allocated to benefits for hourly-paid employees was 42.0 percent, compared to 36.4 percent reported for salaried employees. The dollar value of benefits paid to salaried employees, however, was more than that paid to hourly workers. The composition of benefits was somewhat different between the two groups. Mandated benefits as a percent of payroll for hourly-paid workers is greater than that for salaried employees, since payroll taxes, such as social security and unemployment taxes, are limited by income caps on the tax base.

The dollar cost of hospital, dental and other medical coverage per employee per year was similar for both hourly-paid and salaried employees. $2,820 was expended on average for salaried employees, and $3,059 for hourly-paid workers, indicating that the two groups had similar coverage. Because of the pay differential, however, the cost as a percent of payroll was much greater for hourly-paid workers (10.2 percent) compared to salaried employees (only 8.0 percent).

Employee benefit payments as a percent of payroll averaged 39.0 percent for all companies surveyed. This included 0.7 percent for retiree health insurance, which is a part of medical and medically related benefits. Therefore, benefit costs in 1987 were 38.3 percent of payroll for active employees, compared to 38.7 percent in 1986.

Types of benefits	1986	1987
Legally required payments	8.9%	9.0%
Retirement	6.7	6.6
Life insurance and death benefits	0.5	0.6
Medical and medically related benefits	8.3	8.0
Paid rest periods, lunch periods, etc.	3.4	2.7
Payment for vacations, sick leave, holidays, etc.	10.2	11.0
Miscellaneous benefits	1.3	1.1
Total	39.3%	39.0%

Manufacturing firms reported benefits of 40.3 percent of payroll, compared to 38.0 percent of payroll for nonmanufacturing firms. The difference appeared to be most significant in payments to retirement plans and health insurance. On the basis of dollars spent per employee per year, manufacturing firms spent $12,284, compared to nonmanufacturing firms that spent $9,765.

The one benefit program that appears to have increased in the past year was payment for time not worked. Workers appear to be getting more vacation and holiday pay than in the past. One innovation in the field of paid leave appears to be a single leave package introduced by some industries, such as hospitals. This single leave package, which is an integrated plan for holidays, vacations and sick leave, calls for a fixed number of days (for example, 25 days per year).

Complete results of average benefit payments for different types of benefits are given in tables 4a, 4b, and 4c.

TABLE 4a. Employee Benefits, by Type of Benefit: All Employees, 1987

Type of benefit	Total, all companies	Total, all manufacturing	Total, all nonmanufacturing
Total employee benefits as percent of payroll	39.0%	40.3%	38.0%
1. Legally required payments (employers' share only)	9.0	8.8	9.2
a. Old-Age, Survivors, Disability, and Health Insurance (employer FICA taxes) and Railroad Retirement Tax	6.1	6.7	5.7
b. Unemployment compensation	0.8	1.1	0.6
c. Workers' compensation (including estimated cost of self-insured)	1.1	1.0	1.1
d. State sickness benefits insurance and other	1.0	...	1.7
2. Retirement and saving plan payments (employers' share only)	6.6	7.1	6.3
a. Defined benefit pension plan contributions	2.5	3.3	2.0
b. Defined contribution plan payments (401K type)	0.8	1.0	0.7
c. Profit sharing	0.8	1.5	0.3
d. Stock bonus and employee stock ownership plans (ESOP)	0.2	0.2	0.2
e. Pension plan premiums (net) under insurance and annuity contracts (insured and trusted)	1.6	0.3	2.6
f. Administrative and other cost	0.7	0.8	0.6
3. Life insurance and death benefits (employers' share only)	0.6	0.7	0.5
4. Medical and medically-related benefit payments (employers' share only)	8.0	9.9	6.6
a. Hospital, surgical, medical, and major medical insurance premiums (net)	5.7	6.2	5.4
b. Retiree (payments for retired employees) hospital, surgical medical, and major medical insurance premiums (net)	0.7	1.3	0.3
c. Short-term disability, sickness or accident insurance (company plan or insured plan)	0.5	0.9	0.2
d. Long-term disability or wage continuation (insured, self-administered, or trust)	0.2	0.1	0.2
e. Dental insurance premiums	0.5	0.8	0.3
f. Other (vision care, physical and mental fitness benefits for former employees)	0.4	0.6	0.2
5. Paid rest periods, coffee breaks, lunch periods, wash-up time, travel time, clothes-change time, get ready time, etc.	2.7	1.4	3.7
6. Payments for time not worked	11.0	10.9	11.0
a. Payments for or in lieu of vacations	5.7	5.7	5.8
b. Payment for or in lieu of holidays	3.3	3.7	3.0
c. Sick leave pay	1.4	0.8	1.8
d. Parental leave (maternity and paternity leave payments)	0.3	0.2	0.3
e. Other	0.3	0.5	0.2
7. Miscellaneous benefit payments	1.1	1.6	0.8
a. Discounts on goods and services purchased from company by employees	0.1	0.1	0.2
b. Employee meals furnished by company	0.1	0.1	0.1
c. Employee education expenditures	0.2	0.2	0.1
d. Child care	...	...	...
e. Other	0.7	1.2	0.4
Total employee benefits as cents per payroll hour	512.6c	572.7c	475.1c
Total employee benefits as dollars per year per employee	$10,708	$12,284	$9,765

...Less than 0.05%

TABLE 4b. Employee Benefits, by Type of Benefit: Salaried Employees, 1987

Type of benefit	Total, all companies	Total, all manufacturing	Total, all nonmanufacturing
Total employee benefits as percent of payroll	36.4%	36.7%	35.7%
1. Legally required payments (employers' share only)	7.9	8.0	7.7
a. Old-Age, Survivors, Disability, and Health Insurance (employer FICA taxes) and Railroad Retirement Tax	6.5	6.5	6.6
b. Unemployment compensation	0.8	1.0	0.6
c. Workers' compensation (including estimated cost of self-insured)	0.6	0.6	0.6
d. State sickness benefits insurance and other	...	...	...
2. Retirement and saving plan payments (employers' share only)	7.4	7.1	7.9
a. Defined benefit pension plan contributions	3.0	2.8	3.6
b. Defined contribution plan payments (401K type)	1.6	1.5	1.6
c. Profit sharing	0.8	1.0	0.4
d. Stock bonus and employee stock ownership plans (ESOP)	0.2	...	0.6
e. Pension plan premiums (net) under insurance and annuity contracts (insured and trusted)	0.4	0.4	0.4
f. Administrative and other cost	1.4	1.4	1.3
3. Life insurance and death benefits (employers' share only)	0.6	0.7	0.5
4. Medical and medically-related benefit payments (employers' share only)	8.0	8.5	6.8
a. Hospital, surgical, medical, and major medical insurance premiums (net)	5.2	5.2	5.3
b. Retiree (payments for retired employees) hospital, surgical medical, and major medical insurance premiums (net)	0.8	1.0	0.4
c. Short-term disability, sickness or accident insurance (company plan or insured plan)	0.7	0.9	0.2
d. Long-term disability or wage continuation (insured, self-administered, or trust)	0.1	0.1	0.2
e. Dental insurance premiums	0.7	0.8	0.4
f. Other (vision care, physical and mental fitness benefits for former employees)	0.5	0.6	0.4
5. Paid rest periods, coffee breaks, lunch periods, wash-up time, travel time, clothes-change time, get ready time, etc.	...	...	...
6. Payments for time not worked	10.9	10.4	11.9
a. Payments for or in lieu of vacations	5.7	5.4	6.3
b. Payment for or in lieu of holidays	3.5	3.5	3.5
c. Sick leave pay	1.0	0.8	1.5
d. Parental leave (maternity and paternity leave payments)	...	...	...
e. Other	0.6	0.7	0.5
7. Miscellaneous benefit payments	1.6	1.9	0.8
a. Discounts on goods and services purchased from company by employees	0.1	0.1	0.1
b. Employee meals furnished by company	0.1	0.2	0.1
c. Employee education expenditures	0.2	0.2	0.2
d. Child care	...	...	...
e. Other	1.2	1.5	0.4
Total employee benefits as cents per payroll hour	609.5c	646.4c	535.3c
Total employee benefits as dollars per year per employee	$12,831	$13,718	$11,092

...Less than 0.05%

TABLE 4c. Employee Benefits, by Type of Benefit: Hourly Employees, 1987

Type of benefit	Total, all companies	Total, all manufacturing	Total, all nonmanufacturing
Total employee benefits as percent of payroll	42.0%	43.5%	38.3%
1. Legally required payments (employers' share only)	8.8	8.9	8.5
a. Old-Age, Survivors, Disability, and Health Insurance (employer FICA taxes) and Railroad Retirement Tax	6.8	6.8	6.8
b. Unemployment compensation	1.1	1.1	0.8
c. Workers' compensation (including estimated cost of self-insured)	1.0	1.0	0.9
d. State sickness benefits insurance and other	...	...	...
2. Retirement and saving plan payments (employers' share only)	7.8	8.6	6.0
a. Defined benefit pension plan contributions	3.8	4.0	3.2
b. Defined contribution plan payments (401K type)	1.1	1.1	1.1
c. Profit sharing	1.5	1.9	0.4
d. Stock bonus and employee stock ownership plans (ESOP)	0.2	0.1	0.4
e. Pension plan premiums (net) under insurance and annuity contracts (insured and trusted)	0.4	0.4	0.4
f. Administrative and other cost	0.9	1.0	0.5
3. Life insurance and death benefits (employers' share only)	0.7	0.8	0.5
4. Medical and medically-related benefit payments (employers' share only)	10.2	10.9	8.3
a. Hospital, surgical, medical, and major medical insurance premiums (net)	6.3	6.5	6.0
b. Retiree (payments for retired employees) hospital, surgical medical, and major medical insurance premiums (net)	1.3	1.5	0.6
c. Short-term disability, sickness or accident insurance (company plan or insured plan)	0.9	1.1	0.3
d. Long-term disability or wage continuation (insured, self-administered, or trust)	0.1	0.1	0.2
e. Dental insurance premiums	0.9	1.0	0.6
f. Other (vision care, physical and mental fitness benefits for former employees)	0.7	0.6	0.7
5. Paid rest periods, coffee breaks, lunch periods, wash-up time, travel time, clothes-change time, get ready time, etc.	1.4	0.9	2.6
6. Payments for time not worked	11.5	11.5	11.6
a. Payments for or in lieu of vacations	6.2	6.0	6.5
b. Payment for or in lieu of holidays	3.6	3.8	3.1
c. Sick leave pay	0.9	0.7	1.4
d. Parental leave (maternity and paternity leave payments)	0.2	0.3	0.2
e. Other	0.6	0.7	0.3
7. Miscellaneous benefit payments	1.6	2.0	0.8
a. Discounts on goods and services purchased from company by employees	0.1	0.1	0.1
b. Employee meals furnished by company	0.2	0.2	0.1
c. Employee education expenditures	0.2	0.3	0.1
d. Child care	...	...	...
e. Other	1.1	1.4	0.4
Total employee benefits as cents per payroll hour	588.2c	626.8c	501.0c
Total employee benefits as dollars per employee	$12,598	$13,605	$10,421

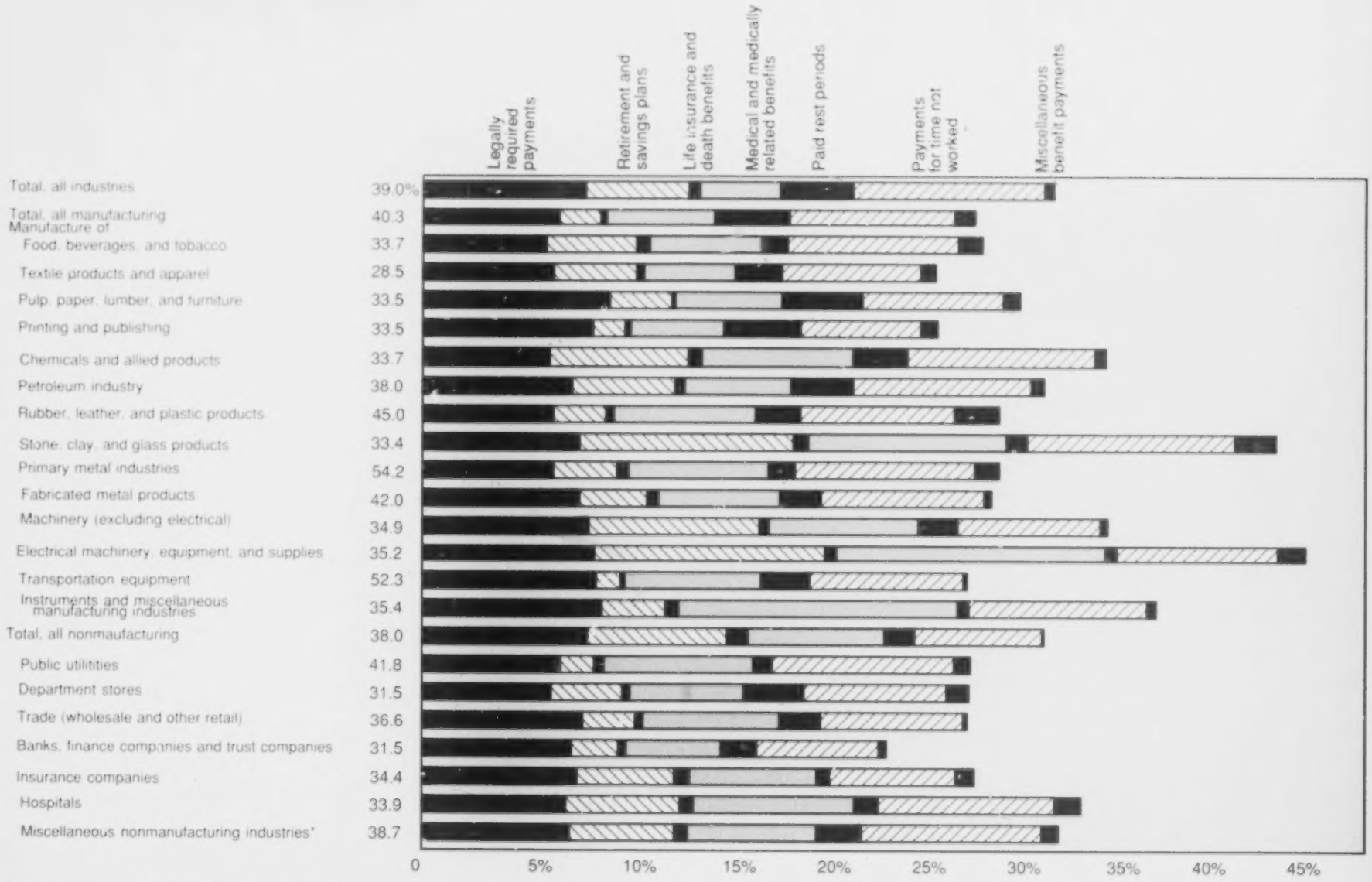
...Less than 0.05%

TABLE 5. Major Types of Employee Benefits, by Industry Groups, 1987

Industry group	Employee benefits as percent of payroll								Total employee benefits as cents per payroll hour	Total employee benefits as dollars per payroll year	Number of companies
	Total, all employee benefits	Legally required payments (employer's share only)	Retirement and savings plan payments (employer's share only)	Life insurance and death benefits (employer's share only)	Medical and medically-related benefits payments (employer's share only)	Paid rest periods	Payments for time not worked	Miscellaneous benefits			
Total, all industries	39.0	9.0	6.6	0.6	8.0	2.7	11.0	1.1	512.6	10,708	910
Total, all manufacturing	40.3	8.8	7.1	0.7	9.9	1.4	10.9	1.6	572.7	12,284	361
Manufacture of:											
Food, beverage, and tobacco	33.7	9.5	6.1	0.7	7.9	0.7	7.8	1.1	465.8	9,110	33
Textile products and apparel	28.5	9.2	2.9	0.4	5.9	2.1	7.5	0.5	253.5	5,248	20
Pulp, paper, lumber, and furniture	33.5	9.8	3.3	0.4	8.5	2.4	8.7	0.3	400.4	8,474	23
Printing and publishing	33.5	7.9	4.4	0.4	7.1	3.5	8.8	1.4	413.8	8,411	29
Chemicals and allied products	33.7	8.5	2.1	0.5	9.2	1.1	11.2	1.0	557.5	11,748	16
Petroleum industry	38.0	10.2	8.6	1.1	8.5	1.7	7.8	0.2	688.2	14,335	14
Rubber, leather, and plastic products	45.0	11.0	4.0	0.7	17.1	0.6	10.9	0.6	610.6	12,311	21
Stone, clay, and glass products	33.4	10.6	1.6	0.2	8.4	2.9	9.4	0.3	401.0	8,419	9
Primary metal industries	54.2	10.5	14.2	0.6	16.5	0.6	10.0	1.7	760.3	16,434	14
Fabricated metal products (excluding machinery and transportation equipment)	42.0	10.2	10.5	0.5	9.2	2.3	8.8	0.5	525.8	10,804	63
Machinery (excluding electrical)	34.9	9.6	4.2	0.6	7.5	2.4	10.1	0.5	447.0	9,694	27
Electrical machinery and supplies	35.2	8.0	4.0	0.6	8.7	1.4	11.1	1.5	494.1	10,587	45
Transportation equipment	52.3	9.6	13.1	0.8	12.3	1.1	12.8	2.5	766.6	17,269	16
Instruments and miscellaneous manufacturing industries	35.4	8.0	3.3	0.4	8.8	2.6	9.5	2.7	521.3	10,907	31
Total, all nonmanufacturing	38.0	9.2	6.3	0.5	6.6	3.7	11.0	0.8	475.1	9,765	549
Public utilities (electric, gas, water, telephone, etc.)	41.8	7.8	8.6	0.6	9.4	3.2	11.6	0.6	699.5	14,546	118
Department stores	31.5	10.4	2.1	0.2	5.8	4.6	7.4	1.0	243.1	4,625	6
Trade (wholesale and other retail)	36.6	11.4	3.9	0.1	6.7	4.8	8.6	1.1	286.1	5,950	42
Banks, finance companies, and trust companies	31.5	8.0	5.1	0.4	5.7	2.7	8.6	0.9	388.2	7,592	65
Insurance companies	34.4	7.5	5.6	0.7	7.0	1.5	10.5	1.5	484.2	9,560	85
Hospitals	33.9	8.4	2.6	0.2	6.7	4.5	10.2	1.2	353.2	7,201	77
Miscellaneous nonmanufacturing industries*	38.7	10.0	6.4	0.5	5.1	4.3	11.8	0.5	486.2	10,128	156

**Includes research, engineering, education, government agencies, construction, etc.*

CHART 1. Employee Benefits as Percent of Payroll, by Industry Groups, 910 Companies,1987



*Includes research, engineering, education, government agencies, construction, etc.

5. INDUSTRY VARIATIONS

Employee benefits vary significantly among the industries surveyed. In the past, manufacturing firms generally paid a greater percentage of payroll and dollar value of benefits than did nonmanufacturing firms. Even though this remains the case this year, there appears to be a narrowing gap between the two sectors. Our survey indicates that service sector firms are increasing their benefits at a faster rate than manufacturing firms. This may be a product of a tighter labor market and therefore firms had to raise their benefit levels to compete for new workers.

Manufacturing firms paid an average of 40.3 percent of payroll, or $12,284 per employee per year in benefits, adding nearly $5.73 per hour to the cost of an employee. Nonmanufacturing firms paid $9,765 per employee per year in benefits. The difference between the two is due in large part to health care costs. For example, in some manufacturing firms the cost of health, hospital and major medical plans ran in excess of $3,000 per employee per year—twice the average for all firms.

Firms that are in more competitive industries, such as retailers, and those that have been hurt by foreign competition, such as textile and apparel manufacturers, generally have a lower level of benefits than firms in industries that are more concentrated and have fewer firms.

Higher-pay industries tend to pay more in benefits than lower-pay industries. The reasons for this are twofold. Employee benefits, except for vacations, holidays, and other leave, are not taxable and thus higher-pay workers would prefer these benefits to the taxable income. On the other hand, lower-pay employees need a greater share of their income more immediately, and therefore cannot afford to take parts of their income in the form of deferred compensation, such as pensions.

More detailed data regarding the cost of benefits by industry as a percent of payroll, cents per payroll hour, and annual dollars per employee are shown on the following Tables 6, 7, and 8.

TABLE 6. Employee Benefits as Percent of Payroll, by Type of Benefit and Industry Groups, 1987

Type of benefit	Total, all industries	Manufacturing industries																Nonmanufacturing industries							
		Total, all manufacturing	Food, beverage, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excluding machinery and transportation equipment)	Machinery (excluding electrical)	Electrical machinery, equipment and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
Total employee benefits as percent of payroll	39.0	40.3	33.7	28.5	33.6	33.5	33.7	38.0	45.0	33.4	54.2	42.0	34.9	35.2	52.3	35.4	38.0	41.8	31.5	36.6	31.5	34.4	33.9	38.7
1. Legally required payments (employers' share only)	9.0	8.8	9.5	9.2	9.8	7.9	8.5	10.2	11.0	10.6	10.5	10.2	9.6	8.0	9.6	8.0	9.2	7.8	10.4	11.4	8.0	7.5	8.4	10.0
a. Old-Age, Survivors, Disability, and Health Insurance (employer FICA taxes) and Railroad Retirement Tax	6.1	6.7	6.7	6.2	7.0	5.1	5.9	6.7	7.4	7.0	5.2	7.0	7.2	6.7	6.6	6.6	5.7	6.6	6.9	7.2	6.5	6.4	7.0	4.5
b. Unemployment compensation	0.8	1.1	1.4	1.7	1.1	1.0	0.8	1.4	1.8	1.6	3.1	1.1	1.5	0.8	1.4	0.8	0.6	0.5	1.6	1.3	1.2	0.8	0.5	0.4
c. Worker's compensation (including estimated cost of self-insured)	1.1	1.0	1.5	0.7	1.8	3.6	0.9	2.1	2.5	2.0	3.2	1.9	0.4	0.5	1.3	0.7	1.1	0.6	1.9	2.7	0.2	0.3	0.9	1.4
d. State sickness benefits insurance and other	1.0																1.5			0.1	0.1			3.8
2. Retirement and savings plan payments (employers' share only)	6.6	7.1	6.1	2.9	3.3	4.4	6.1	8.6	4.0	1.8	14.2	10.5	4.2	4.0	13.1	3.3	6.3	8.6	2.1	3.9	5.1	5.6	2.6	6.4
a. Defined benefit pension plan contributions	2.5	3.3	1.8	1.6	2.7	1.4	1.0	4.4	2.6	0.9	10.6	5.9	0.8	1.1	7.2	0.6	2.0	5.2	0.3	1.2	1.0	2.5	1.8	0.5
b. Defined contribution plan payments (401K type)	0.8	1.0	0.2	0.1	0.2	1.6	0.5	1.7	0.2	0.1	1.2	0.4	1.4	0.6	1.7	1.2	0.7	1.3	0.2	0.2	1.2	1.1	0.2	0.3
c. Profit sharing	0.8	1.5	3.5	1.1		1.1	0.4	1.2	0.7	0.2	0.6	5.6	1.7	0.3	3.8	1.1	0.3		1.3	1.0	0.9	0.4	0.1	0.2
d. Stock bonus and employee stock ownership plans (ESOP)	2.2	0.2			0.1	0.1	0.2				1.5	0.2		0.2		0.1	0.2	0.3	0.2		0.4	0.2		0.1
e. Pension plan premiums (net) under insurance and annuity contracts (insured and trusteed)	1.6	0.3			0.1							0.4		0.5	0.1	0.1	2.6	1.3		1.4	0.1	0.8	0.2	4.6
f. Administrative and other cost	0.7	0.8	0.5		0.2	0.4		1.3	0.3	0.4	0.3	3.2	0.4	1.3	0.3	0.2	0.6	0.5	0.1*		1.6	0.5	0.3	0.6
3. Life insurance and death benefits (employers' share only)	0.6	0.7	0.7	0.4	0.4	0.4	0.5	1.1	0.7	0.2	0.6	0.5	0.6	0.6	0.8	0.4	0.5	0.6	0.2	0.1	0.4	0.7	0.2	0.5
4. Medical and medically-related benefit payments (employers' share only)	8.0	9.9	7.9	5.9	8.5	7.1	9.2	8.5	17.1	8.4	16.5	9.2	7.5	8.7	12.3	8.8	6.6	9.4	5.8	6.7	5.7	7.0	6.7	5.1
a. Hospital, surgical, medical, and major medical insurance premiums (net)	5.7	6.2	6.2	5.0	6.7	5.9	6.2	6.2	7.7	7.8	7.4	7.1	6.0	5.8	6.6	6.9	5.4	6.9	4.1	6.4	4.6	5.1	5.8	4.6
b. Retiree (payments for retired employees) hospital, surgical medical, and major medical insurance premiums (net)	0.7	1.3	0.1	0.2	0.4	0.1	1.9	1.0	3.2	0.4	7.5	0.8	0.3	0.4	2.4	0.3	0.3	0.5	0.9		0.3	0.4		0.1
c. Short-term disability, sickness or accident insurance (company plan or insured plan)	0.5	0.9	0.4	0.2	0.4	0.4	0.1	0.8	0.9	0.1	0.5	0.2	0.4	1.1	1.0	0.7	0.2	0.4	0.4		0.3	0.4	0.2	0.1
d. Long-term disability or wage continuation (insured, self-administered, or trust)	0.2	0.1	0.2	0.1	0.1	0.2	0.1		1.1	0.1	0.1	0.2	0.1	0.1	0.2	0.3	0.2	0.3		0.1	0.2	0.5	0.2	
e. Dental insurance premiums	0.5	0.8	0.7	0.4	0.5	0.4	0.7	0.3	1.1		0.7	0.7	0.5	0.7	1.4	0.6	0.3	0.8	0.2	0.1	0.3	0.4	0.4	0.1
f. Other (vision care, physical and mental fitness benefits for former employees)	0.4	0.6	0.2		0.3	0.1	0.2	0.1	3.1	0.1	0.3	0.2	0.2	0.6	0.8	0.1	0.2	0.6	0.2		0.1	0.1	0.1	0.1
5. Paid rest periods, coffee breaks, lunch periods, wash-up time, travel time, clothes-change time, get ready time, etc.	2.7	1.4	0.7	2.1	2.4	3.5	1.1	1.7	0.6	2.9	0.6	2.3	2.4	1.4	1.1	2.6	3.7	3.2	4.6	4.8	2.7	1.5	4.5	4.3
6. Payments for time not worked	11.0	10.9	7.8	7.5	8.7	8.8	11.2	7.8	10.9	9.4	10.0	8.8	10.1	11.1	12.8	9.5	11.0	11.6	7.4	8.6	8.6	10.5	10.2	11.8
a. Payments for or in lieu of vacations	5.7	5.7	4.1	3.9	5.4	4.8	5.9	4.3	7.4	5.2	5.9	4.9	5.6	6.0	6.0	4.7	5.8	6.2	4.3	5.2	4.2	5.1	5.4	6.2
b. Payment for or in lieu of holidays	3.3	3.7	2.6	2.5	2.4	2.7	3.2	2.1	3.2	3.5	2.2	3.5	3.4	3.8	4.5	3.4	3.0	3.2	2.4	1.9	3.1	3.6	2.1	3.0
c. Sick leave pay	1.4	0.8	0.6	0.2	0.7	1.1	0.7	0.9		0.6	0.2	0.3	0.5	0.6	1.2	1.1	1.8	1.6	0.5	1.2	1.1	1.4	1.5	2.2
d. Parental leave (maternity and paternity leave payments)	0.3	0.2		0.1		0.1	0.9	0.2	0.2	0.1	0.2	0.1	0.2	0.3	0.2	0.2	0.3	0.3	0.2	0.3	0.1	0.3	0.3	0.3
e. Other	0.3	0.5	0.5	0.8	0.1	0.1	0.5	0.3	0.1	0.1	1.5	0.1*	0.5	0.4	0.8	0.1	0.2	0.3			0.2	0.2	1.0	0.1
7. Miscellaneous benefit payments	1.1	1.6	1.1	0.5	0.3	1.4	1.0	0.2	0.6	0.3	1.7	0.5	0.5	1.5	2.5	2.7	0.8	0.6	1.0	1.1	0.9	1.5	1.2	0.5
a. Discounts on goods and services purchased from company by employees	0.1	0.1				0.1		0.1						0.1			0.2	0.1	0.9	0.9	0.1	0.2	0.1	
b. Employee meals furnished by company	0.1	0.1					0.1							0.3		0.1	0.1	0.1			0.2	0.4	0.3	
c. Employee education expenditures	0.2	0.2	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.1		0.1	0.1	0.2	0.6	0.3	0.1	0.1			0.3	0.4	0.3	0.1
d. Child care																								
e. Other	0.7	1.2	0.5	0.4	0.2	1.0	0.8	0.1	0.5	0.2	1.6	0.5	0.4	0.9	1.9	2.3	0.4	0.3	0.1	0.1	0.3	0.7	0.4	0.4

* *Includes research, engineering, education, government agencies, construction, etc.*

...Less than 0.05%

TABLE 7. Employee Benefits as Cents per Payroll Hour, by Type of Benefit and Industry Groups, 1987

Type of benefit	Total, all industries	Total, all manufacturing	Food, beverage, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excluding machinery and transportation equipment)	Machinery (excluding electrical)	Electrical machinery, equipment and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
Total employee benefits as percent of payroll	512.6	572.7	445.8	253.5	400.4	413.8	557.5	468.2	410.6	401.0	760.3	529.8	447.0	494.1	766.6	521.3	475.1	699.5	243.1	286.1	388.2	484.2	353.2	486.2
1. Legally required payments (employers' share only)	118.8	125.5	131.8	81.6	117.8	97.6	141.2	184.6	150.9	127.0	147.9	127.8	122.8	111.5	140.5	118.5	114.6	130.0	80.7	88.8	98.8	105.2	87.2	126.4
a. Old Age, Survivors, Disability, and Health Insurance (employer FICA taxes) and Railroad Retirement Tax	80.6	95.3	91.9	60.4	83.4	74.9	113.3	121.1	100.1	84.2	97.6	87.4	91.7	93.3	100.2	86.6	71.7	111.1	53.6	56.8	79.6	89.5	72.7	57.0
b. Unemployment compensation	10.7	13.6	18.8	14.8	12.6	10.7	12.7	24.6	16.4	18.7	29.4	14.6	19.1	11.0	20.6	11.3	7.6	8.3	12.3	10.4	15.3	10.7	4.9	4.5
c. Worker's compensation (including estimated cost of self-insured)	14.0	14.4	21.1	6.4	21.6	9.6	15.2	38.8	33.4	24.2	30.9	23.6	12.1	6.7	19.1	10.6	14.1	10.3	14.5	21.0	2.9	4.7	9.1	17.2
d. State sickness benefits insurance and other	13.1	0.2				0.4		0.1						0.5		0.2	21.1	0.2	0.3	2.5	1.0	0.3	0.4	47.6
2. Retirement and savings plan payments (employers' share only)	87.1	100.2	80.2	25.3	39.7	34.8	35.6	155.4	54.0	19.0	199.9	110.4	54.0	36.1	192.5	49.1	79.0	143.4	16.2	30.6	63.2	79.2	27.4	80.8
a. Defined benefit pension plan contributions	32.9	46.2	24.5	14.6	32.5	17.6	17.5	79.7	37.9	11.9	149.1	71.1	10.4	14.9	106.2	8.6	34.9	86.4	2.5	9.7	12.1	35.7	18.6	5.8
b. Defined contribution plan payments (401K type)	13.5	19.6	3.3	1.0	2.6	10.1	1.7	30.3	2.2	1.3	16.3	4.6	17.3	8.6	28.2	17.0	8.5	21.5	1.7	1.6	14.6	15.7	2.5	4.2
c. Profit sharing	10.8	21.9	49.4	9.7	0.4	10.1	9.5	22.6	9.0	2.2	8.6	19.9	21.3	3.9	56.0	16.5	4.0	0.8	8.7	8.0	11.0	5.4	1.0	2.7
d. Stock bonus and employee stock ownership plans (ESOP)	2.5	2.6	0.7		1.6	1.9	3.6	0.3	3.6		21.3	1.9		2.1	0.2	2.0	2.4	5.6	1.2		4.7	3.4		1.8
e. Pension plan premiums (net) under insurance and annuity contracts (insured and trusteed)	21.5	4.0	0.4	0.2	1.3	0.1						4.5		7.4	1.9	1.5	32.5	21.3		10.9	0.8	11.7	1.9	58.3
f. Administrative and other cost	8.9	12.1	5.5	0.4	0.7	4.4	0.7	20.8	4.2	4.4	4.9	40.1	4.9	16.9	4.3	9.2	7.0	8.4	1.0	0.2	20.1	7.3	3.3	8.0
3. Life insurance and death benefits (employers' share only)	7.8	9.7	10.0	2.4	4.8	5.3	8.9	18.3	9.7	2.2	9.2	5.7	7.6	9.8	11.7	5.7	6.5	10.0	1.4	1.1	5.4	10.4	2.1	6.9
4. Medical and medically related benefit payments (employers' share only)	104.8	140.7	109.5	63.0	101.4	87.5	152.9	133.4	139.2	161.5	131.5	116.1	96.8	121.8	160.9	129.9	82.4	157.4	44.7	52.4	70.1	98.5	70.0	63.9
a. Hospital, surgical, medical, and major medical insurance premiums (net)	75.5	88.4	86.2	44.9	79.8	72.9	102.8	112.5	109.2	93.5	103.1	66.4	70.4	91.7	97.4	101.1	67.4	115.9	31.4	49.8	56.3	71.5	60.2	57.8
b. Retiree (payments for retired employees) hospital, surgical medical, and major medical insurance premiums (net)	9.0	18.2	1.0	1.7	3.4	1.3	17.6	17.5	44.0	4.7	10.9	10.4	4.5	5.5	34.6	4.3	3.2	8.0	7.0	0.1	3.3	5.5	0.5	1.6
c. Short-term disability, sickness or accident insurance (company plan or insured plan)	6.5	12.3	5.6	1.9	4.5	4.1	1.2	14.3	10.2	1.3	7.5	2.1	5.1	15.0	14.3	10.6	2.8	6.3	3.3	0.3	3.7	6.2	2.1	1.3
d. Long-term disability or wage continuation (insured, self-administered, or trust)	2.2	1.9	2.2	0.8	1.4	2.4	1.7	0.1	14.6	0.7	1.0	2.0	1.2	1.2	2.8	4.3	2.4	5.0		1.1	2.1	7.7	2.3	0.6
e. Dental insurance premiums	7.1	11.9	10.1	3.6	6.2	5.3	12.1	6.2	14.3		9.4	8.1	6.5	9.9	19.9	8.2	4.1	12.6	1.7	1.0	3.1	5.4	4.1	1.7
f. Other (vision care, physical and mental fitness benefits for former employees)	4.6	8.0	3.4	0.2	3.9	1.0	4.2	1.8	41.9	0.8	4.7	2.8	3.0	8.3	12.0	1.4	2.5	9.6	1.3	0.2	1.6	2.1	0.8	1.0
5. Paid rest periods, coffee breaks, lunch periods, wash-up time, travel time, clothes-change time, get ready time, etc.	35.5	19.2	9.5	18.4	28.5	43.0	17.4	30.6	8.4	39.0	8.6	29.1	30.4	19.8	15.9	38.5	45.7	54.1	35.6	37.6	33.0	21.7	47.3	53.8
6. Payments for time not worked	144.1	154.8	107.3	67.1	104.5	108.9	184.7	140.8	148.1	112.7	140.6	110.2	129.4	155.5	188.0	139.6	137.4	194.9	56.8	67.3	106.3	147.5	106.8	148.1
a. Payments for or in lieu of vacations	75.5	80.6	56.7	34.9	64.5	58.9	91.8	77.3	100.1	62.7	83.0	60.8	72.1	83.6	86.1	68.6	72.4	104.0	33.1	40.5	51.6	71.1	56.1	77.8
b. Payment for or in lieu of holidays	43.1	52.2	36.4	22.9	28.9	33.5	52.7	38.4	44.1	41.4	31.4	43.7	43.3	53.6	66.7	50.6	37.5	53.8	18.2	15.2	38.2	50.1	21.8	37.9
c. Sick leave pay	17.8	11.0	7.6	1.5	8.8	14.0	11.2	17.1	0.6	6.6	3.4	3.9	5.9	8.8	18.3	15.6	22.0	26.3	3.9	9.2	13.2	19.3	15.9	28.2
d. Parental leave (maternity and paternity leave payments)	3.5	3.5	0.4	1.1	0.6	1.7	14.7	3.5	2.3	0.7	2.2	0.9	2.1	3.8	3.1	3.1	3.5	5.5	1.2	2.4	0.9	4.2	2.7	3.4
e. Other	4.2	7.6	6.2	6.7	1.7	0.8	8.4	4.5	1.0	1.3	20.6	0.9	6.0	5.7	11.9	1.8	2.1	5.2	0.4		2.4	2.6	10.3	0.8
7. Miscellaneous benefit payments	14.5	22.5	14.7	4.1	3.7	16.8	17.2	4.1	8.2	4.0	23.7	6.5	7.0	20.6	36.7	39.9	9.5	9.7	7.7	6.3	11.4	21.6	12.4	6.2
a. Discounts on goods and services purchased from company by employees	1.6	0.7	0.1		0.1	1.3	0.2	1.7			0.2		0.1	1.4		0.2	2.1	1.6	7.2	7.1	1.7	2.2	1.5	0.2
b. Employee meals furnished by company	1.4	1.9	0.3		0.1	0.6	2.4	0.3	0.1	0.1	0.3	0.1	0.1	3.7		1.0	1.1	1.2			2.4	5.2	3.2	0.2
c. Employee education expenditures	2.3	3.5	1.6	0.8	1.7	2.5	1.9	1.0	1.0	1.0	0.5	0.7	1.9	2.3	8.2	5.1	1.5	1.9	0.1	0.1	3.7	4.9	3.4	0.7
d. Child care	0.1												0.1								0.1		0.3	
e. Other	9.2	16.4	12.7	3.2	1.8	12.4	12.6	1.2	7.0	2.8	22.7	5.7	4.9	13.0	28.5	33.6	4.7	5.1	0.5	1.1	3.5	9.3	3.9	5.1

*Includes research, engineering, education, government agencies, construction, etc.
Less than 0.05¢

TABLE 8. Employee Benefits as Dollars per Year per Employee, by Type of Benefit and Industry Group, 1987

Type of benefit	Total, all industries	Manufacturing industries: Total, all manufacturing	Food, beverage, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excluding machinery and transportation equipment)	Machinery (excluding electrical)	Electrical machinery, equipment and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Nonmanufacturing industries: Total, all nonmanufacturing	Public utilities (electric, gas, water telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
Total employee benefits as percent of payroll	10,708	12,284	9,110	5,248	8,474	8,411	11,748	14,335	12,311	8,419	16,434	10,804	9,694	10,587	17,269	10,907	9,765	4,546	4,625	5,950	7,692	9,560	7,201	10,128
1. Legally required payments (employers' share only)	2,481	2,693	2,577	690	2,492	1,985	2,975	1,845	3,024	2,667	3,197	2,626	2,664	2,388	3,166	2,480	2,355	2,703	1,535	1,847	1,959	2,078	1,777	2,632
a. Old Age, Survivors, Disability, and Health Insurance (employer FICA taxes) and Railroad Retirement Tax	1,688	2,044	1,798	1,251	1,764	1,523	2,388	2,523	2,018	1,767	1,894	1,797	1,988	2,000	2,258	2,021	1,475	2,310	1,019	1,182	1,578	1,768	1,483	1,187
b. Unemployment compensation	223	334	367	306	267	259	267	512	331	342	635	342	414	235	465	232	156	173	233	217	302	212	99	94
c. Workers' compensation (including estimated cost of self-insured)	297	309	412	131	461	196	319	808	674	509	669	486	263	143	443	221	289	215	277	438	58	93	186	359
d. State sickness benefits insurance and other	274	5	0	0	0	7	1	3	0	0	0	1	0	11	0	5	434	5	6	11	20	5	9	993
2. Retirement and saving plan payments(employers' share only)	1,920	2,149	1,642	536	640	1,111	742	3,236	1,088	400	4,320	2,700	1,171	1,202	4,343	1,028	1,624	2,962	309	636	1,252	1,564	558	1,683
a. Defined benefit pension plan contributions	687	994	481	303	688	357	365	1,649	764	237	3,223	228	226	319	2,392	183	505	1,796	47	202	240	705	379	120
b. Defined contribution plan payments (401K type)	219	291	65	20	56	368	161	631	45	27	351	94	376	185	569	360	175	446	31	34	289	309	51	87
c. Profit sharing	226	468	946	200	8	266	138	472	182	42	187	1429	463	83	1,240	346	82	5	184	167	218	107	21	57
d. Stock bonus and employee stock ownership plans (ESOP)	52	55	13	0	21	26	63	7	11	0	454	40	0	66	3	41	50	117	26	0	92	68	0	37
e. Pension plan premiums (net) under insurance and annuity contracts (insured and trusted)	450	86	9	5	22	3	1	0	1	1	0	92	0	158	42	31	668	442	1	226	16	231	40	1215
f. Administrative and other cost	187	259	127	8	45	90	15	478	86	93	105	824	106	392	97	66	143	175	19	4	397	144	67	167
3. Life insurance and death benefits (employers' share only)	162	209	196	71	103	108	187	402	197	47	177	118	164	194	264	120	134	207	26	22	106	205	43	143
4. Medical and medically-related benefit payments (employers' share only)	2,189	3,017	2,123	1,096	2,145	1,779	3,223	3,196	4,681	2,121	5,004	2,364	2,077	2,606	4,076	2,717	1,694	3,273	851	1,090	1,389	1,945	1,427	1,332
a. Hospital, surgical, medical, and major medical insurance premiums (net)	1,577	1,895	1,685	929	1691	1,482	2,167	2,344	2,120	1,964	2,242	1,817	1,656	1,750	2,195	2,115	1,386	2,410	597	1,035	1,115	1,411	1,228	1,204
b. Retiree (payments for retired employees) hospital, surgical medical, and major medical insurance premiums (net)	187	391	19	36	114	26	671	373	888	98	2,299	214	76	118	778	90	66	167	133	2	65	109	10	34
c. Short-term disability, sickness or accident insurance (company plan or insured plan)	135	264	110	37	96	96	26	298	247	27	165	56	111	321	321	222	58	130	63	6	73	123	42	27
d. Long-term disability or wage continuation (insured, self-administered, or trust)	46	41	43	17	30	48	37	15	294	15	22	41	27	26	62	89	49	104	0	23	41	152	47	11
e. Dental insurance premiums	148	254	198	74	132	107	255	129	289	0	204	180	142	213	447	171	84	263	32	21	62	108	84	36
f. Other (vision care, physical and mental fitness benefits for former employees)	96	171	67	3	83	20	67	38	844	17	102	57	64	177	271	30	51	200	25	4	32	41	16	20
5. Paid rest periods, coffee breaks, lunch periods, wash-up time, travel time, clothes-change time, get ready time, etc.	742	412	186	380	603	874	367	637	169	735	186	597	660	424	358	805	909	1,125	677	781	354	429	965	1,122
6. Payments for time not worked	3,010	3,320	2,099	1,389	2,212	2,213	3,892	2,932	2,987	2,367	3,038	2,265	2,807	3,332	4,236	2,922	2,824	4,054	1,081	1,400	2,107	2,912	2,177	3,085
a. Payments for or in lieu of vacations	1,578	1,728	109	722	1,366	1,198	2,060	1,610	2,018	1,317	1,793	1,250	1,564	1,791	1,984	1,435	1,488	2,163	630	843	1,023	1,404	1,143	1,621
b. Payment for or in lieu of holidays	901	1,119	712	474	611	681	1,110	800	889	869	679	898	939	1,149	1,503	1,058	770	1,119	346	315	756	988	445	789
c. Sick leave pay	372	237	149	30	187	284	235	355	12	139	74	81	128	168	413	326	452	548	75	192	262	381	324	588
d. Parental leave (maternity and paternity leave payments)	73	75	*	23	12	35	310	72	47	15	47	19	45	81	69	64	72	115	24	49	18	83	55	71
e. Other	87	162	122	140	36	15	176	95	21	28	445	18	131	123	267	38	42	109	7	0	48	55	210	16
7. Miscellaneous benefit payments	304	483	288	84	79	342	362	86	166	83	512	134	151	440	826	836	196	202	146	174	226	427	253	130
a. Discounts on goods and services purchased from company by employees	33	16	2	0	3	26	5	35	1	0	5	0	2	29	0	5	43	33	137	148	33	44	32	5
b. Employee meals furnished by company	30	40	6	0	2	12	51	6	2	3	6	2	2	80	0	21	23	25	0	0	47	102	66	4
c. Employee education expenditures	48	76	32	17	36	51	40	21	21	21	10	15	41	50	184	108	32	39	1	3	74	98	70	15
d. Child care	*	*	0	0	0	0	1	0	0	0	0	0	0	2	0	0	1	0	0	0	1	0	6	0
e. Other	192	351	248	67	38	253	266	24	142	59	491	116	106	279	642	702	97	106	9	22	70	183	80	106

* Includes research, engineering, education, government agencies, construction, etc.

6. REGIONAL VARIATIONS

Table 9 illustrates benefit payments by region for the various industry groups. The regions are based on geographic designations used by the U.S. Census Bureau. The determination of the geographic location of the firm is based on the mailing address of the firm's headquarters.

There are significant regional variations in the percent of payroll being spent on benefits. Firms in the East North Central region paid in excess of 44 percent of payroll on benefits, the highest percentage of payroll among the four geographic regions. The high level of benefits in this region is due in part to a number of older firms paying large sums for retiree health insurance and other large fixed liabilities, such as payments to old pension plans, that newer firms in other regions of the country are not subject to. Some of payments to pension plans may reflect earlier underfunding of plans prior to enactment of Employee Retirement Income Securities Act (ERISA).

Benefits in all regions of the country increased, except for the East North Central where the benefit levels were already the highest. The lowest level of benefits, 36.2 percent of payroll, was reported in the Northeast. In the West, employers paid 37.9 percent of payroll for benefits while in the Southeast, employers paid 39.2 percent. On a regional basis, the Southeast showed the largest increase and the East North Central showed the largest decline.

Based on this year's survey, there appears to be more of a standardization of benefits nationally than in prior years. In addition, other recent surveys conducted by the U.S. Chamber of Commerce indicate that employers are expressing concern for their employees' well-being, and as a result, employers are offering many of the benefits currently being reported in *Employee Benefits 1988 Edition*. This year the membership survey that was conducted by the U.S. Chamber of Commerce indicated that the number one reason cited by firms for offering the benefits was that they felt "a responsibility to [their] employees to offer such benefits." More than three-fourths of the cost of benefits paid to workers are voluntary benefits, and not mandated by either federal or state mandates.

TABLE 9. Employee Benefits as Percent of Payroll, by Region and Industry Groups, 1987

Industry group	Total, all regions	Northeast	East North Central	Southeast	West
Total, all industries	39.0	36.2	44.1	39.2	37.9
Total, all manufacturing	40.3	36.9	55.6	34.1	37.2
Manufacture of:					
Food, beverage, and tobacco	33.7	33.9	40.2	34.0	32.0
Textile products and apparel	28.5	...	37.0	28.5	21.8
Pulp, paper, lumber, and furniture	33.5	31.7	32.6	25.6	40.6
Printing and publishing	33.5	35.0	33.8	28.6	36.4
Chemicals and allied products	33.7	26.7	40.9	31.3	...
Petroleum industry	38.0	...	...	34.4	38.4
Rubber, leather, and plastic products	45.0	38.9	45.6	34.0	...
Stone, clay, and glass products	33.4	34.6	...	...	41.0
Primary metal industries	54.2	57.7	...	44.5	...
Fabricated metal products (excluding machinery and transportation equipment)	42.0	38.5	46.9	36.0	36.8
Machinery (excluding electrical)	34.9	35.3	36.7	27.7	30.6
Electrical machinery, equipment, and supplies	35.2	35.7	31.4	39.7	33.9
Transportation equipment	52.3	36.3	72.5	...	39.3
Instruments and miscellaneous manufacturing industries	35.4	37.0	37.4	30.2	34.2
Total, all nonmanufacturing	38.0	34.6	35.3	39.8	38.7
Public utilities (electric, gas, water, telephone, etc.)	41.8	40.1	40.1	40.7	46.2
Department stores	31.5	...	31.2	...	...
Trade (wholesale and other retail)	36.6	...	37.8	34.1	35.8
Banks, finance companies, and trust companies	31.5	30.9	29.9	32.1	34.1
Insurance companies	34.4	34.6	34.0	35.0	36.6
Hospitals	33.9	33.4	34.2	31.9	35.8
Miscellaneous nonmanufacturing industries*	38.7	31.3	29.6	40.1	35.1
Number of companies	910	176	255	253	226

*Includes research, engineering, education, government agencies, construction, etc.
...Fewer than three companies reporting

NORTHEAST	Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont
EAST NORTH CENTRAL	Illinois, Indiana, Michigan, Ohio, and Wisconsin
SOUTHEAST	Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia
WEST	Alaska, Arizona, California, Colorado, Hawaii, Idaho, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming

7. SIZE OF COMPANY VARIATIONS

In 1987, as in earlier years, larger firms generally paid more benefits than smaller firms, as shown in Table 10.

The highest level of benefits was reported by firms with 5,000 or more employees which paid 39.5 percent of payroll for benefits. Firms with 100 to 5,000 employees appear to have similar patterns of employee benefits, ranging from 34.7 percent of payroll to 36.1 percent of payroll. Survey participants with between 10 and 49 employees had the lowest benefits level—31.9 percent.

Regardless of industry, firms with fewer than 100 employees generally had the lowest level of benefits, except for small insurance companies and public utilities. The insurance industry appears to be one of the few industries where larger firms seem to have a lower level of benefit than smaller firms. Due to the complexity of the benefit laws, smaller, owner-operated firms usually can not offer the same variety of benefits as larger companies with benefit specialists.

TABLE 10. Employee Benefits as Percent of Payroll, by Size of Company and Industry Groups, 1987

	Number of Employees						
	Total, all companies	Under 100	100-449	500-999	1,000-2,499	2,500-4,999	5,000 and over
Total, all industries	39.0	33.3	34.8	34.7	36.1	34.7	39.5
Total, all manufacturing	40.3	32.9	35.6	34.7	36.5	33.8	40.8
Manufacture of:							
Food, beverage, and tobacco	33.7	35.6	35.1	35.3	45.6	...	33.3
Textile products and apparel	28.5	...	35.5	28.1	29.3	...	28.3
Pulp, paper, lumber, and furniture	33.5	36.2	31.6	...	...	...	...
Printing and publishing	33.5	31.7	31.2	33.4	31.9	...	...
Chemicals and allied products	33.7	40.6	31.4	...	35.9	...	33.5
Petroleum industry	38.0	23.6	62.8	...	...	...	38.4
Rubber, leather, and plastic products	45.0	31.7	38.9	36.0	...	...	...
Stone, clay, and glass products	33.4	...	35.6	...	...	...	...
Primary metal industries	54.2	...	...	...	...	38.7	56.4
Fabricated metal products (excluding machinery and transportation equipment)	42.0	32.4	36.8	37.9	...	36.8	...
Machinery (excluding electrical)	34.9	32.2	36.3	30.6	37.9	...	...
Electrical machinery, equipment, and supplies	35.2	22.2	33.1	...	36.5	31.1	35.3
Transportation equipment	52.3	...	36.1	...	...	...	52.3
Instruments and miscellaneous manufacturing industries	35.4	30.1	35.1	40.8	32.3	...	35.9
Total, all nonmanufacturing	38.0	33.7	34.1	34.7	35.9	35.0	38.5
Public utilities (electric, gas water, telephone, etc.)	41.8	39.6	42.2	42.4	39.1	38.2	42.8
Department stores	31.5	...	...	...	...	...	31.5
Trade (wholesale and other retail)	36.6	30.3	27.3	...	27.1	...	37.0
Banks, finance companies, and trust companies	31.5	32.1	32.3	27.2	33.9	28.7	32.0
Insurance companies	34.4	46.5	36.6	36.8	37.6	34.7	33.9
Hospitals	33.9	...	30.8	33.1	33.4	35.3	...
Miscellaneous nonmanufacturing industries*	38.7	34.4	33.5	33.1	32.6	31.6	39.2
Number of Companies	910	156	250	113	185	76	130

*Includes research, engineering, education, government agencies, construction, etc.
...Fewer than three companies reporting

8. PENSION AND INSURANCE COSTS

This year we are publishing data that would differentiate between the most popular plans that are available to employees and employers. Because of the many requests for data on employer contributions to 401K type plans, we are publishing this data separately this year. Employer payments are reported on a net basis after deducting dividends or credits returned to employers. In addition, some firms with pension plans reported that they were not obligated to contribute to these funds because the value of their portfolios had placed their plans on a fully funded basis without additional contributions. The only costs incurred by those funds were generally administrative costs.

Pensions, Payments, Bonuses, and Savings Plan Payments

As shown on Table 11, 131 of the 910 firms that participated in this year's survey indicated that they did not make any contributions to pension plans, bonuses, or savings plan payments for their employees, representing a higher percentage than last year. At the same time, 42 firms (a lower percentage than last year) contributed over 14 percent of payroll. The lower percent of payroll being contributed to these plans may be the result of the strong stock market in recent years that may have helped many firms fund their pension plans at lower costs than what might have been expected.

The average payment to pension plans, bonuses, or savings plan payments in 1987 shown in Table 12 was 6.6 percent of payroll—about the same as last year. About one-third of the funds went to traditionally defined benefit plans. Most of the remaining funds went into various forms of defined contribution plans such as the 401K type plan, profit sharing, stock bonus and pension plan premiums. The remaining funds went to the cost of administrating these plans which is combined with payments to other plans not mentioned above.

TABLE 11. Pension Payments, Bonuses, and Savings Plan Payments by Industry Group, 1987

Industry Group	Total companies in survey	Number of companies paying specified percent of payroll for pensions								
		0%	0.1-1.9%	2.0-3.9%	4.0-5.9%	6.0-7.9%	8.0-9.9%	10.0-11.9%	12.0- 13.9%	14.0% and over
Total, all industries	910	131	98	212	159	128	69	43	28	42
Total, all manufacturing	361	64	44	98	58	46	15	8	12	16
Manufacture of:										
Food, beverage, and tobacco	33	2	4	10	4	8	...	2	1	2
Textile products and apparel	20	3	4	6	4	1	...	1	1	...
Pulp, paper, lumber, and furniture	23	4	2	8	5	2	2	...	...	...
Printing and publishing	29	5	2	7	5	4	3	...	3	...
Chemicals and allied products	16	2	3	1	3	3	1	1	2	...
Petroleum industry	14	5	1	3	1	2	...	...	2	...
Rubber, leather, and plastic products	21	7	4	3	3	...	1	...	...	3
Stone, clay, and glass products	9	4	...	3	1	...	1	...	...	...
Primary metal industries	14	2	2	1	1	1	2	2	1	2
Fabricated metal products (excluding machinery and transportation equipment)	63	13	9	17	6	11	2	...	1	4
Machinery (excluding electrical)	27	4	3	11	5	2	...	...	...	2
Electrical machinery, equipment, and supplies	45	7	5	11	13	6	1	1	1	...
Transportation equipment	16	...	1	5	3	4	...	1	...	2
Instruments and miscellaneous manufacturing industries	31	6	4	12	4	2	2	...	...	1
Total, all nonmanufacturing	549	67	54	114	101	82	54	35	16	26
Public utilities (electric, gas, water, telephone, etc.)	118	6	7	18	19	26	15	12	5	10
Department stores	6	2	2	...	2	...	...	...	...	...
Trade (wholesale and other retail)	42	8	7	11	8	3	1	1	1	2
Banks, finance companies, and trust companies	65	3	5	17	15	9	11	1	1	3
Insurance companies	85	3	7	16	17	19	6	8	4	5
Hospitals	77	17	12	26	15	4	...	3	...	...
Miscellaneous nonmanufacturing industries*	156	28	14	26	25	21	21	10	5	6

*Includes research, engineering, education, government agencies, construction, etc.
... Less than 1

TABLE 12. Pension Payments, Bonuses, and Savings Plan Payments by Type of Pension, and Industry Group, 1987

Industry group	Total companies in survey	Pension payments as percent of payroll						
		Total	Defined benefit pension plan contributions	Defined contribution plan payments	Profit sharing	Stock bonus and employee stock ownership plans (ESOP)	Pension plan premiums under insurance and annuity contracts	Administrative and other costs
Total, all industries	910	6.6	2.5	0.8	0.8	0.2	1.6	0.7
Total, all manufacturing	361	7.1	3.3	1.0	1.5	0.2	0.3	0.8
Manufacture of:								
Food, beverage, and tobacco	33	6.1	1.8	0.2	3.5	...	...	0.5
Textile products and apparel	20	2.9	1.6	0.1	1.1	...	...	...
Pulp, paper, lumber, and furniture	23	3.3	2.7	0.2	...	0.1	0.1	0.2
Printing and publishing	29	4.4	1.4	1.5	1.1	0.1	...	0.4
Chemicals and allied products	16	2.1	1.0	0.5	0.4	0.2	...	...
Petroleum industry	14	8.6	4.4	1.7	1.2	...	...	1.3
Rubber, leather, and plastic products	21	4.0	2.8	0.2	0.7	...	...	0.3
Stone, clay, and glass products	9	1.6	0.9	0.1	0.2	...	...	0.4
Primary metal industries	14	14.2	10.6	1.2	0.6	1.5	...	0.3
Fabricated metal products (excluding machinery and transportation equipment)	63	10.5	0.9	0.4	5.6	0.2	0.4	3.2
Machinery (excluding electrical)	27	4.2	0.8	1.4	1.7	...	...	0.4
Electrical machinery, equipment, and supplies	45	4.0	1.1	0.6	0.3	0.2	0.5	1.3
Transportation equipment	16	13.1	7.2	1.7	3.8	...	0.1	0.3
Instruments and miscellaneous manufacturing industries	31	3.3	0.6	1.2	1.1	0.1	0.1	0.2
Total, all nonmanufacturing	549	6.3	2.0	0.7	0.3	0.2	2.6	0.6
Public utilities (electric, gas water, telephone, etc.)	118	8.6	5.2	1.3	...	0.3	1.3	0.5
Department stores	6	2.1	0.3	0.2	1.3	0.2	...	0.1
Trade (wholesale and other retail)	42	3.9	1.2	0.2	1.0	...	1.4	...
Banks, finance companies, and trust companies	65	5.1	1.0	1.2	0.9	0.4	0.1	1.6
Insurance companies	85	5.6	2.5	1.1	0.4	0.2	0.8	0.5
Hospitals	77	2.6	1.8	0.2	0.1	...	0.2	0.3
Miscellaneous nonmanufacturing industries*	156	6.4	0.5	0.3	0.2	0.1	4.6	0.6

**Includes research, engineering, government agencies, construction, etc.*

...Less than .05%

9. PERCENT OF COMPANIES PAYING EMPLOYEE BENEFITS

Payments for government mandated programs were virtually universal for all the firms surveyed. The exceptions were some governmental units and some tax exempt organizations that are exempt from the mandates. Details of the percentage of firms paying specific benefits are shown in Table 13.

Retirement and saving plans are reported differently this year. Details have been added for 401K, profit sharing and stock purchase plans. Thirty-nine percent of the firms offered a 401K type plan, 23 percent offered profit sharing plans, and 9 percent offered either stock bonus or employee stock ownership plans.

The percentage of firms that paid for vacation and holiday increased from 1986. In 1987, 95 percent of the participating firms offered paid vacation and 92 percent offered paid holidays, compared to 86 percent and 83 percent, respectively. Seventy-five percent of the firms paid for sick leave, about the same percentage as last year. Some firms, such as hospitals that operate on around-the-clock basis, now offer only one form of integrated leave for all purposes.

Payment for health insurance for retirees is included because, unlike pension plans that generally have a separate fund for future needs, health insurance for retirees is drawn from current operating funds. Twenty-nine percent of all firms reported that they paid for retiree health insurance.

Only 4 percent of the firms in the survey reported making some payment toward either off-premise child care or on-premise child care.

Average benefit costs as percent of payroll for companies paying employee benefits by industry are shown in Table 14. The percentages of payroll for the various benefits on this table are greater than the percentages reported in other tables since they are the percentages of payroll of those firms offering the specific benefits noted, not of all the firms.

TABLE 13. Percent of Companies Paying Employee Benefits, 1987

Type of benefit	Total, all industries	Manufacturing industries																Nonmanufacturing industries							
		Total, all manufacturing	Food, beverage, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excluding machinery and transportation equipment)	Machinery (excluding electrical)	Electrical machinery, equipment and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
1. Legally required payments (employers' share only)																									
a. Old Age, Survivors, Disability, and Health Insurance (employer FICA taxes) and Railroad Retirement Tax	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
b. Unemployment compensation	99	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	99	100	100	100	100	100	100	100	98
c. Workers' compensation (including estimated cost of self-insured)	99	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	99	100	100	100	100	100	100	100	99
d. State sickness benefits insurance	13	10	3	3	0	3	13	14	5	0	7	6	10	22	6	23	14	11	33	7	18	29	5	12	
2. Retirement and saving plan payments (employers' share only)																									
a. Defined benefit pension plan contributions	48	45	52	55	65	31	50	43	38	33	64	37	44	51	56	35	49	53	17	31	52	60	58	33	
b. Defined contribution plan payments (401K type)	39	38	36	25	30	48	56	43	19	33	36	32	33	44	63	39	40	54	17	33	60	54	13	30	
c. Profit sharing	23	30	36	35	13	34	31	27	24	11	43	30	33	29	25	32	18	9	50	29	25	26	5	24	
d. Stock bonus and employee stock ownership plans (ESOP)	9	9	6	0	13	7	13	14	10	0	7	10	5	13	6	16	10	22	17	2	11	6	0	8	
e. Pension plan premiums (net) under insurance and annuity contracts (insured and trusteed)	12	11	15	5	4	17	6	7	5	11	0	17	4	11	13	13	13	14	17	5	6	19	8	15	
f. Administrative and other cost	55	54	55	60	59	62	56	64	52	44	43	48	70	49	61	59	55	62	17	48	65	62	52	48	
3. Life insurance and death benefits (employers' share only)	91	90	79	90	83	90	94	86	90	78	100	95	89	97	88	94	91	92	100	88	97	95	95	86	
4. Medical and medically-related benefit payments (employers' share only)																									
a. Hospital, surgical, medical, and major medical insurance premiums (net)	99	98	94	100	100	100	100	100	100	100	100	100	96	98	94	97	99	98	100	98	100	100	100	99	
b. Retiree (payments for retired employees) hospital, surgical medical, and major medical insurance premiums (net)	29	27	24	25	30	21	31	36	14	11	57	21	37	36	44	10	31	36	33	19	40	52	10	25	
c. Short term disability, sickness or accident insurance (company plan or insured plan)	40	53	48	50	65	59	26	36	67	56	71	52	52	51	63	48	32	28	50	31	18	40	29	37	
d. Long-term disability or wage continuation (insured, self-administered, or trust)	59	47	48	45	48	55	63	57	43	33	57	38	48	44	50	48	67	72	33	40	85	75	75	56	
e. Dental insurance premiums	54	49	55	30	48	45	81	50	24	11	64	43	52	56	81	52	57	76	67	31	52	58	65	48	
f. Other (vision care, physical and mental fitness benefits for former employees)	40	35	36	15	17	17	50	29	33	33	36	38	37	49	44	39	43	55	50	24	42	61	39	33	
5. Paid rest periods, coffee breaks, lunch periods, wash-up time, travel time, clothes-change time, get ready time, etc.	78	83	91	80	87	90	75	71	90	78	57	89	85	78	75	84	75	77	100	67	71	68	92	68	
6. Payments for time not worked																									
a. Payments for or in lieu of vacations	95	95	97	90	96	97	94	86	95	89	100	95	96	98	100	90	94	99	100	83	95	94	100	90	
b. Payment for or in lieu of holidays	92	94	91	80	91	93	100	100	95	89	100	97	93	98	100	94	90	97	100	71	86	92	90	90	
c. Sick leave pay	75	63	67	60	39	83	81	64	48	33	50	60	56	73	69	71	83	92	83	74	83	88	92	72	
d. Parental leave (maternity and paternity leave payments)	56	57	52	70	48	76	69	36	48	44	71	54	59	53	69	52	55	81	50	33	42	64	64	37	
e. Other	35	32	30	50	17	34	44	36	24	44	57	22	26	33	63	19	37	62	17	12	26	39	35	29	
7. Miscellaneous benefit payments																									
a. Discounts on goods and services purchased from company by employees	18	13	21	10	13	34	6	43	5	0	7	3	11	13	0	13	21	19	67	24	22	26	43	6	
b. Employee meals furnished by company	23	15	27	10	26	10	19	29	10	11	36	11	11	11	0	13	29	36	17	17	31	52	27	15	
c. Employee education expenditures	70	64	55	55	52	55	81	57	71	67	64	52	70	71	86	77	73	82	17	45	71	94	84	61	
d. Child care	4	1	0	0	0	0	6	0	0	0	0	0	0	2	0	3	6	2	0	0	3	9	17	4	
e. Other	74	73	76	75	78	62	75	57	76	67	64	75	67	73	75	90	74	80	33	52	68	91	75	70	

*Includes, research, engineering, education, government agencies, construction, etc.

TABLE 14. Average Benefit Costs as Percent of Payroll for Companies Paying Employee Benefits, 1987

Type of benefit	Total, all industries	Manufacturing industries: Total, all manufacturing	Food, beverage, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excluding machinery and transportation equipment)	Machinery (excluding electrical)	Electrical machinery, equipment and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Nonmanufacturing industries: Total, all nonmanufacturing	Public utilities (electric, gas, water telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
1. Legally required payments (employers' share only)																								
a. Old-Age, Survivors, Disability, and Health Insurance (employer FICA taxes) and Railroad Retirement Tax	6.1	6.7	6.7	6.8	7.0	6.1	6.9	6.7	7.4	7.0	6.2	7.0	7.2	6.7	6.8	6.6	5.7	5.6	6.9	7.3	6.3	6.4	7.2	4.6
b. Unemployment compensation	0.8	1.1	1.4	1.7	1.1	1.0	0.8	1.4	1.2	1.6	2.1	1.3	1.5	0.8	1.4	0.8	0.6	0.5	1.4	1.3	1.2	0.4	0.3	0.4
c. Workers' compensation (including estimated cost of self-insured)	1.1	1.0	1.5	0.7	1.8	0.8	0.9	2.1	2.5	2.0	2.2	1.9	0.9	0.5	1.4	0.7	1.1	0.6	1.5	2.7	3.0	0.3	1.9	1.4
d. State sickness benefits insurance	0.1	0.1	0.0	0.5	0.0	0.3	0.0	0.3	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.1	0.7	0.3	0.1	0.0	0.6	0.3
2. Retirement and saving plan payments (employers' share only)																								
a. Defined benefit pension plan contributions (401K type)	4.2	4.2	1.8	1.7	3.0	3.5	3.4	4.6	3.8	2.6	15.1	2.0	1.9	1.2	10.2	1.8	4.2	5.5	4.5	1.8	0.9	3.4	2.5	0.6
b. Defined contribution plan payments	1.7	1.5	1.0	0.3	0.7	2.1	1.4	1.7	0.2	0.9	1.9	1.1	2.4	1.1	1.8	1.9	1.9	1.9	0.4	1.2	1.6	0.2	1.8	2.3
c. Profit sharing	3.3	4.5	4.7	1.5	1.6	3.5	3.0	2.7	2.7	0.9	1.4	11.4	7.6	1.3	7.1	2.0	1.8	0.8	1.4	1.3	3.2	1.7	4.2	2.4
d. Stock bonus and employee stock ownership plans (ESOP)	1.3	1.5	0.4	0.0	0.2	4.1	3.0	1.7	0.2	0.0	4.1	2.1	0.0	1.2	0.5	0.4	1.2	0.8	0.5	1.0	1.5	0.5	0.5	1.8
e. Pension plan premiums (net) under insurance and annuity contracts (insured and trusted)	5.1	1.5	1.8	0.3	1.2	0.1	0.1	0.0	0.4	0.0	0.0	3.3	0.0	1.5	2.8	0.6	6.2	10.3	0.7	5.4	0.2	3.9	2.1	5.4
f. Administrative and other cost	0.9	1.1	0.6	0.1	0.5	0.5	0.1	1.4	0.3	0.9	1.0	4.4	0.5	1.4	0.4	5.2	0.8	0.8	0.2	0.1	2.1	1.1	0.1	3.9
3. Life insurance and death benefits (employers' share only)	0.6	0.7	0.7	0.4	0.4	0.4	0.5	1.1	0.7	0.4	0.6	0.5	0.6	0.7	0.8	0.4	0.6	0.7	0.2	0.2	0.4	0.7	0.3	0.6
4. Medical and medically-related benefit payments (employers' share only)																								
a. Hospital, surgical, medical, and major medical insurance premiums (net)	5.8	6.3	6.2	5.0	6.7	5.9	6.2	6.2	7.7	7.8	7.4	7.1	6.3	5.8	6.8	6.9	5.4	6.9	4.1	6.4	4.5	5.1	5.8	4.6
b. Retiree (payments for retired employees) hospital, surgical medical, and major medical insurance premiums (net)	1.0	1.6	2.5	0.4	0.7	0.4	2.6	1.0	3.9	2.4	6.1	1.0	0.5	0.6	3.0	1.0	0.5	1.5	1.9	0.2	0.5	0.1	0.3	0.2
c. Short-term disability, sickness or accident insurance (company plan or insured plan)	0.9	1.0	0.5	0.4	0.5	0.7	0.2	1.4	1.0	0.2	0.6	0.3	0.6	1.1	1.2	0.9	0.7	0.9	0.4	0.2	0.6	0.8	0.6	0.4
d. Long-term disability or wage continuation (insured, self-administered, or trust)	0.3	0.2	0.2	0.2	0.2	0.3	0.2	0.1	1.5	0.2	0.1	0.2	0.3	0.2	0.3	0.5	0.4	0.4	0.1	0.2	0.2	0.7	0.3	0.2
e. Dental insurance premiums	0.8	1.0	0.7	0.4	0.8	0.7	0.8	0.6	1.6	0.0	0.7	0.9	0.6	0.8	1.4	0.8	0.7	0.8	0.2	0.6	0.4	0.6	0.7	0.5
f. Other (vision care, physical and mental fitness benefits for former employees)	0.7	0.8	1.5	0.0	0.7	0.2	0.6	0.2	3.5	0.2	0.4	0.3	0.4	0.6	1.9	0.2	0.5	0.8	0.2	0.3	0.2	0.2	0.2	0.4
5. Paid rest periods, coffee breaks, lunch periods, wash-up time, travel time, clothes-change time, get ready time, etc.	3.5	1.8	2.5	3.8	2.9	3.9	3.0	2.8	1.7	3.5	2.1	2.7	3.0	1.5	1.9	2.9	4.6	4.0	4.6	5.7	4.5	2.9	4.8	5.3
6. Payments for time not worked																								
a. Payments for or in lieu of vacations	5.8	5.7	4.1	4.0	5.5	4.9	6.1	4.4	7.6	5.5	5.9	5.0	5.7	6.0	6.0	5.4	5.9	6.8	4.3	5.2	4.3	5.1	5.4	6.2
b. Payment for or in lieu of holidays	3.4	3.7	2.6	2.9	2.9	2.7	3.2	2.1	3.3	3.6	2.2	3.6	3.5	3.8	4.5	3.5	3.1	3.5	2.4	2.3	3.3	3.6	2.5	3.0
c. Sick leave pay	1.6	1.0	0.6	0.2	1.0	1.3	0.8	0.9	0.5	0.8	0.3	0.4	0.9	1.0	1.3	1.5	1.9	1.8	0.5	1.3	1.2	1.7	1.8	2.3
d. Parental leave (maternity and paternity leave payments)	0.3	0.3	0.1	0.2	0.1	0.2	1.1	0.3	0.3	0.2	0.2	0.1	0.2	0.3	0.2	0.3	0.3	0.4	0.2	0.4	0.4	0.4	0.4	0.3
e. Other	0.6	0.7	0.5	1.0	0.3	0.2	0.7	0.4	0.3	0.2	1.5	0.2	0.8	0.5	0.8	0.3	0.5	0.5	0.1	0.3	1.3	0.6	2.3	0.5
7. Miscellaneous benefit payments																								
a. Discounts on goods and services purchased from company by employees	0.5	0.2	0.5	0.1	0.1	0.3	0.1	0.2	0.1	0.0	0.6	0.1	0.1	0.3	0.0	0.1	0.6	0.2	0.9	1.4	0.4	0.4	0.3	0.4
b. Employee meals furnished by company	0.5	0.5	0.1	0.1	0.1	0.2	0.4	0.2	0.4	0.2	0.1	0.2	0.2	0.6	0.0	0.3	0.5	0.3	0.5	0.1	0.5	0.8	0.8	0.2
c. Employee education expenditures	0.2	0.3	0.1	0.1	0.2	0.3	0.1	0.1	0.2	0.1	0.0	0.1	0.2	0.2	0.6	0.4	0.2	0.1	0.1	0.0	0.4	0.4	0.4	0.2
d. Child care	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.2	0.1
e. Other	0.8	1.3	0.9	1.4	0.2	1.3	1.6	0.4	0.5	0.5	1.8	0.5	0.5	1.0	2.0	2.3	0.5	0.4	0.1	0.3	0.4	0.8	0.4	0.5

*Includes research, engineering, education, government agencies, construction, etc.

10. PAYROLL DEDUCTIONS FOR EMPLOYEE BENEFITS

Payroll deductions for employee benefits (Table 15) amounted to 10.3 percent of payroll. The major part of these deductions went to the Old Age, Survivors, Disability and Health Insurance (OASDHI) programs.

Employee insurance (health and life) payments amounted to 1.7 percent of payroll, indicating that employees were absorbing approximately 17 percent of the cost of their insurance programs.

Deductions for retirement and saving plans increased moderately during the past year. In the 1986 survey, employers reported deductions of 2.7 percent of payroll for these plans, while this year employers reported deducting 3 percent of payroll. This attests to the popularity of programs such as the 401K plans that allow employees to deduct up $7,000 per year from their pay without paying taxes until either retirement or some emergency need for money should arise. Based on the ratio of employee to employer contributions, employers are currently contributing about $1.00 for every $4.00 that employees are contributing to the 401K plan, and similar type plans. These programs should continue to grow in popularity as a result of the limits on the deductibility of Individual Retirement Account (IRA) contributions based on income limitations under the present tax law.

It is significant that the employee cost of life insurance exceeds the employer contribution. This is probably due to the limit on the amount of life insurance that can be provided to employees by employers. This results in employers shifting benefit dollars to other insurance plans, such as health insurance, where the benefit dollars would not be taxed. Employees covered by this survey paid approximately 13 percent of the cost of health insurance, compared to 57 percent of the cost of life insurance.

TABLE 15. Payroll Deductions for Employee Benefits, 1987

Type of benefit	Deductions as percent of payroll					Total cents per hour	Total dollars per year
	Total deductions	OASDHI	Medically related benefits	Retirement and savings plans	Life insurance and other deductions		
Total, all industries	10.3	5.7	0.9	3.0	0.8	136.0	2,840
Total, all manufacturing	10.4	6.3	0.4	2.8	0.9	148.2	3,178
Manufacture of:							
Food, beverage, and tobacco	7.3	4.3	0.1	1.4	1.5	100.3	1,962
Textile products and apparel	9.0	6.7	1.7	0.5	0.1	79.9	1,653
Pulp, paper, lumber, and furniture	8.9	6.9	0.4	1.2	0.4	106.0	2,243
Printing and publishing	9.7	5.4	0.7	2.2	1.4	119.4	2,427
Chemicals and allied products	10.6	6.4	0.3	3.5	0.4	175.0	3,687
Petroleum industry	9.7	3.9	1.4	3.6	0.9	176.1	3,669
Rubber, leather, and plastic products	8.9	7.4	0.2	1.0	0.3	120.9	2,438
Stone, clay, and glass products	7.3	7.0	0.2	0.1	0.1	87.4	1,834
Primary metal industries	7.5	6.2	0.2	0.9	0.1	105.5	2,280
Fabricated metal products (excluding machinery and transportation equipment)	8.5	6.8	0.2	1.3	0.2	106.5	2,188
Machinery (excluding electrical)	11.5	6.9	0.8	3.1	0.7	146.6	3,180
Electrical machinery, equipment, and supplies	12.0	6.6	0.4	3.5	1.6	168.6	3,611
Transportation equipment	9.2	6.8	0.0	2.1	0.1	134.1	3,022
Instruments and miscellaneous manufacturing industries	11.1	6.1	1.2	3.2	0.5	163.3	3,417
Total, all nonmanufacturing	10.4	6.3	0.4	2.8	0.9	148.2	3,178
Public utilities (electric, gas water, telephone, etc.)	10.0	6.3	0.4	2.9	0.5	167.3	3,479
Department stores	10.9	6.9	1.8	2.0	0.1	84.3	1,603
Trade (wholesale and other retail)	8.9	7.6	0.5	0.2	0.6	69.3	1,441
Banks, finance companies, and trust companies	9.9	6.3	1.4	1.7	0.5	121.3	2,403
Insurance companies	10.5	6.4	0.9	2.8	0.4	147.0	2,902
Hospitals	11.2	7.0	1.2	1.5	1.5	116.2	2,369
Miscellaneous nonmanufacturing industries*	10.6	3.5	1.9	4.4	0.8	133.4	2,780

*Includes research, engineering, education, government agencies, construction, etc.

11. BENEFITS PAID TO PART-TIME WORKERS

Part-time employees generally do not receive all of the benefits that full-time employees receive. However, this policy varies considerably according to industry. Manufacturing firms that generally do not have significant numbers of part-timers do not seek to make special accommodations for such workers, while many hospitals and banks that have large numbers of part-time workers have developed special benefits packages to attract and keep part-time employees.

The industries that reported a significant percentage of part-time employees were printing and publishing (10.9%), department stores (19.7%), other wholesale and retail trade companies (12.9%), banks and finance companies (23.5%), and hospitals (22.1%). These industries tended to offer part-time workers more benefits than other industries.

In those industries where part-time employees comprised over 10 percent of the work force, 18 percent of the firms reported that part-time employees received all benefits. By contrast, in the industries where part-time employees do not comprise a significant percentage of the work force, only 13 percent of those firms paid for benefits to their part-time employees. The industries that gave the most benefits to part-time workers were hospitals, banks, insurance companies and publishers.

While 15 percent of the total firms reported giving all benefits to part-timers, many firms provided one or more of the other benefits provided their full-time workers. Vacation benefits were provided by more employers than any other benefit. over one-third of the firms gave paid vacation to part-timers, and 21.2 percent provided health care. The industry that gave the most benefits to part-time employees was hospitals. More than 36 percent of the hospitals gave all benefits to part-time workers, and nearly two-thirds of the hospitals gave vacation and other benefits to their part-time employees.

BENEFITS PROVIDED TO PART-TIME EMPLOYEES

BENEFIT	PERCENT OF FIRMS GIVING	
	PART-TIMERS BENEFIT	FULL-TIMERS BENEFIT
All Benefits	**14.6%**	**100%**
Health	**21.2**	**99**
Retirement	**29.8**	**86**
Vacation	**33.6**	**95**

12. TOTAL EMPLOYEE BENEFITS COSTS

Total employee benefits for all employees are estimated at $813.9 billion for 1987, as shown on Table 16.

In comparison, in 1955, benefits were 17.0 percent, or $36.1 billion. This included 3.3 percent of payroll for legally required payments, 3.6 percent for pensions, insurance and other agreed upon payments, 3.0 percent for rest periods, 5.9 percent for vacations, holidays, sick leave and other time not worked, and 1.2 percent for other benefits.

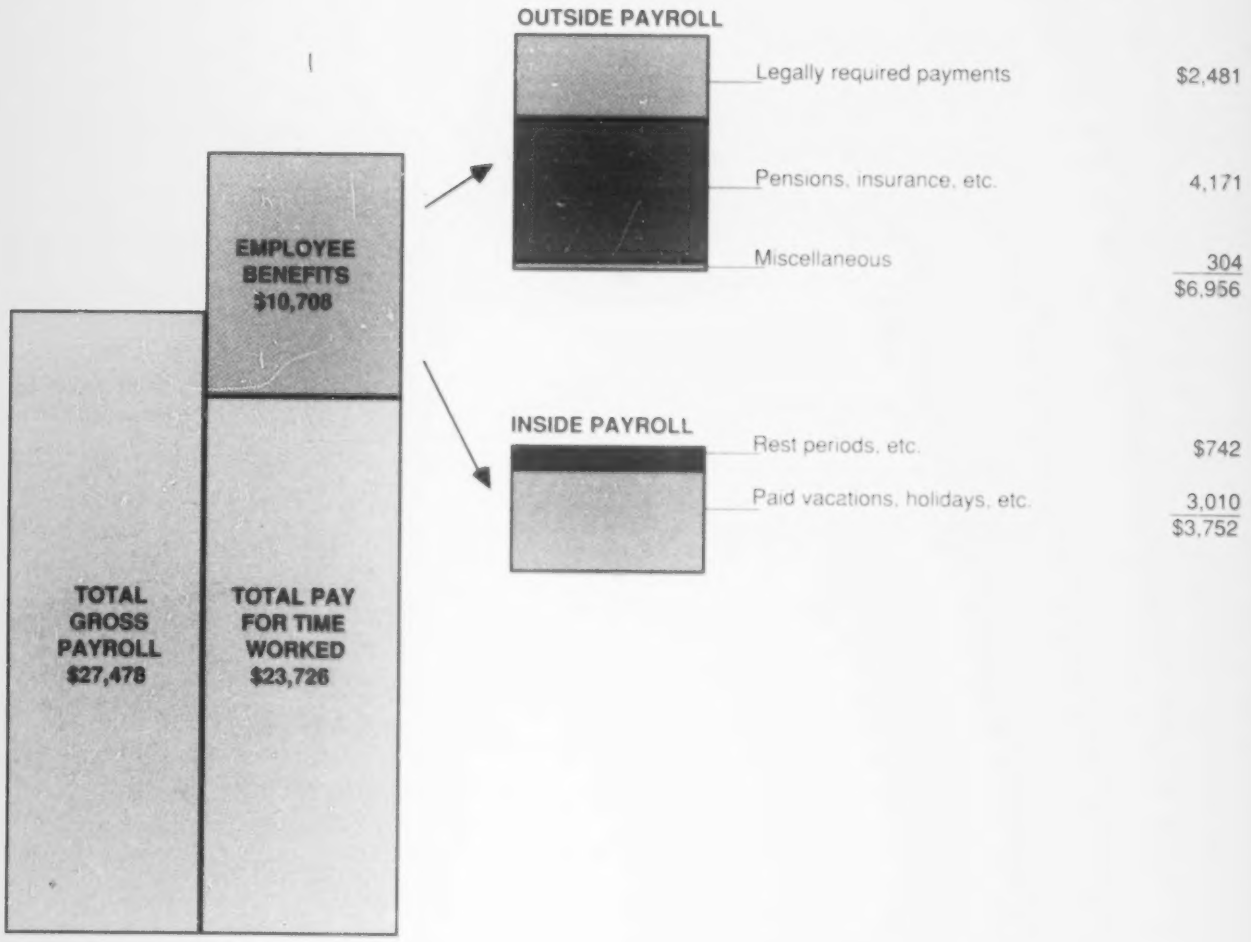
By 1965, benefits increased to 21.5 percent of wages and salaries, or $78.2 billion. This included 5.3 percent for legally required payments, 4.6 percent for insurance and pension type plans, 3.1 percent for paid rest periods, 7.3 percent for vacations and other paid time away from work, and 1.2 percent for other benefits.

Between 1965 and 1975 benefit payments increased significantly faster than payroll, going from 21.5 to 30.0 percent of payroll. One-third of the increase was a result of mandated increases, mainly Social Security Taxes. Another third was due to increases in the cost of insurance and pension programs, with the rest of the increased cost of benefits resulting from employers granting more vacations, holidays and sick leave to their employees.

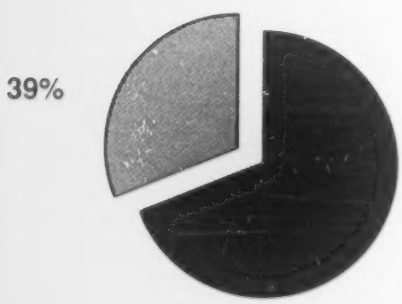
Since 1975, benefits have grown from 30.0 percent of payroll to 36.2 percent of payroll. Nearly half of the increase is due to increases in mandated benefits. The remaining increase resulted from increases in insurance costs (mainly health insurance), and an increase of approximately four days per year in the amount of vacations and holidays granted by employers.

CHART 2. Average Annual Employee Benefits and Earnings, 1987

34,434



Employee Benefits as a Percentage of Total Gross Payroll, 1987



Employee Benefits as a Percentage of Total Pay for Time Worked, 1987

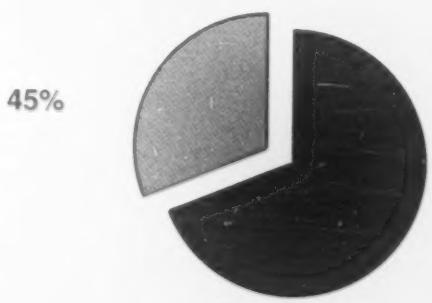


CHART 3. Total Employee Benefits as Percent of Payroll, 1951 to 1987

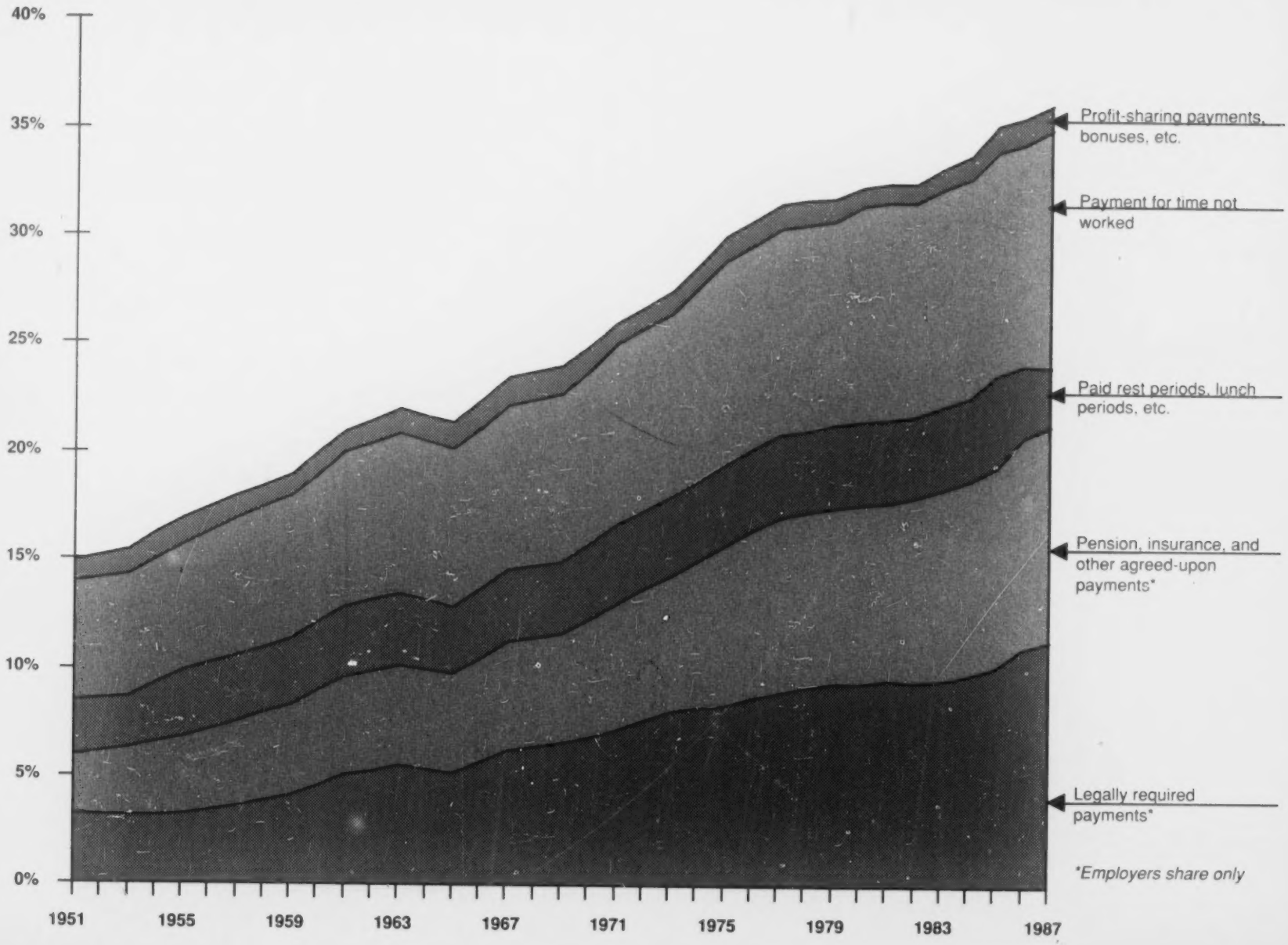


TABLE. 16 Wage Data, by Industry Groups, 1987

Industry group	Average hourly earnings as percent of payroll							Average hourly earnings as cents per hour							Total payroll dollars per year per full-time employee
	Total payroll	Straight-time pay	Overtime premium pay*	Holiday premium pay*	Shift differential	Earned incentive or production bonus	Other	Total payroll	Straight-time pay	Overtime premium pay*	Holiday premium pay*	Shift differential	Earned incentive or production bonus	Other	
Total, all industries	100	95.2	2.4	0.4	0.7	0.6	0.8	1,315	1,252	32	5	9	8	10	27,478
Total, all manufacturing	100	94.8	2.7	0.3	0.7	0.7	0.8	1,420	1,347	38	5	10	9	12	30,465
Manufacture of:															
Food, beverage, and tobacco	100	91.0	4.3	0.2	...	0.7	3.8	1,380	1,255	59	2	==	9	52	27,004
Textile products and apparel	100	94.5	2.6	2.0	0.2	0.4	0.2	890	842	23	18	1	3	1	18,442
Pulp, paper, lumber, and furniture	100	93.0	3.8	0.8	0.2	0.3	1.8	1,195	1,112	45	9	2	4	21	25,306
Printing and publishing	100	94.2	1.9	0.6	0.2	1.8	1.5	1,234	1,162	23	7	1	21	18	25,098
Chemicals and allied products	100	93.9	3.3	0.8	1.1	0.4	0.6	1,654	1,553	53	13	17	6	10	34,856
Petroleum industry	100	97.0	1.9	0.5	0.5	...	...	1,811	1,757	34	9	9	==	==	37,735
Rubber, leather, and plastic products	100	92.5	6.6	0.6	0.1	0.1	...	1,357	1,256	89	8	1	1	==	27,377
Stone, clay, and glass products	100	92.5	3.7	1.7	0.6	1.4	0.1	1,199	1,109	44	20	6	17	==	25,176
Primary metal industries	100	86.9	3.3	1.1	0.6	6.1	2.1	1,402	1,218	45	15	8	85	29	30,318
Fabricated metal products (excluding machinery and transportation equipment)	100	81.9	3.8	1.2	0.4	3.3	9.4	1,251	1,025	47	14	4	41	118	25,715
Machinery (excluding electrical)	100	93.0	3.3	0.2	0.2	2.9	0.3	1,279	1,190	42	2	2	37	3	27,747
Electrical machinery, equipment, and supplies	100	97.1	1.3	0.2	0.7	0.1	0.6	1,402	1,362	17	3	9	==	8	30,041
Transportation equipment	100	93.7	4.3	...	1.0	0.7	0.3	1,466	1,375	62	==	14	10	3	33,043
Instruments and miscellaneous manufacturing industries	100	92.5	4.6	0.4	0.7	1.5	0.3	1,473	1,362	67	6	10	22	4	30,832
Total, all nonmanufacturing	100	95.5	2.2	0.4	0.7	0.5	0.7	1,250	1,193	28	5	9	6	9	25,692
Public utilities (electric, gas, water, telephone, etc.)	100	92.7	5.2	0.6	0.3	0.1	1.1	1,673	1,551	87	10	5	1	19	34,798
Department stores	100	99.3	0.4	0.2	0.1	...	...	772	767	3	1	==	==	==	14,702
Trade (wholesale and other retail)	100	98.8	0.9	0.1	0.1	0.1	...	780	771	7	==	==	==	==	16,240
Banks, finance companies, and trust companies	100	94.2	0.7	0.3	0.2	2.8	1.9	1,230	1,159	8	3	2	34	23	24,388
Insurance companies	100	97.2	0.8	0.1	0.1	1.4	0.5	1,405	1,366	10	==	==	20	6	27,757
Hospitals	100	93.2	2.1	1.2	1.6	0.1	1.7	1,042	971	22	12	16	1	18	21,250
Miscellaneous nonmanufacturing industries**	100	95.7	1.7	0.4	1.3	0.4	0.6	1,257	1,203	21	4	15	4	7	26,198

*Includes bonus or premium pay only. If employee receives $10.00 per hour for straight time and $15.00 for overtime, for each over time hour worked, $10.00 would be shown as straight-time pay and $5.00 as overtime pay.

**Includes research, engineering, education, government agencies, construction, etc.

==Less than 0.5¢

...Less than 0.05%

TABLE 17. Growth of Employee Benefits, 1929 to 1987

Type of payment	1929	1955	1965	1975	1986	1987
			(Percent of wages and salaries)			
1. Legally required	0.8%	3.3%	5.3%	8.4%	11.1%	11.4%
Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	0.0	1.4	2.3	4.6	5.9	5.9
Unemployment Compensation	0.0	0.7	1.0	0.8	1.2	1.1
Workers' compensation	0.6	0.5	0.7	1.0	1.0	1.4
Government employees retirement	0.2	0.5	1.0	1.7	2.8	2.8
Other	0.0	0.2	0.3	0.3	0.2	0.2
2. Agreed-upon	0.4	3.6	4.6	7.4	9.7	9.9
Pensions	0.2	2.2	2.3	3.6	2.8	3.2
Insurance	0.1	1.1	2.0	3.4	5.6	5.6
Other	0.1	0.3	0.3	0.4	1.3	1.1
3. Rest Periods	1.0	3.0	3.1	3.7	3.3	2.7
4. Time not Worked	0.7	5.9	7.3	9.4	10.2	11.0
Vacations	0.3	3.0	3.8	4.8	5.2	5.7
Holidays	0.3	2.0	2.5	3.2	3.1	3.3
Sick leave	0.1	0.8	0.8	1.2	1.4	1.4
Other	0.0	0.1	0.2	0.2	0.5	0.6
5. Bonuses profit-sharing, etc.	0.1	1.2	1.2	1.1	1.2	1.1
Total benefit payments	3.0%	17.0%	21.5%	30.0%	35.5%	36.2%
			(Billion Dollars)			
Wages and Salaries	$50.50	$212.10	$363.70	$814.70	$2,093.00	$2,248.30
Total benefit payments	$1.50	$36.10	$78.20	$244.40	$743.00	$813.90

Source: Estimated by U.S. Chamber of Commerce from U.S. Department of Commerce data and U.S. Chamber of Commerce Survey.

13. SUPPLEMENTS TO WAGES AND SALARIES

The U.S. Department of Commerce publishes data on "other labor income," as part of its national income statistics. The data mainly covers legally required payments and expenditures for private pension and insurance plans that are not paid directly to employees. Expenditures for items covered by the Department of Commerce Report indicate that other labor income increased more than 10 times faster than payroll since 1935. Other labor income as a percentage of payroll increased from 1.8 percent of payroll in 1935, the year the Social Security Act was passed, to 19.3 percent in 1987. Since 1965, the Department of Commerce measure of other labor income has increased from 9.5 to 19.3 percent, twice the rate of increase in payroll. Since 1980, other labor income increased from 17.9 percent of payroll to 19.7 percent of payroll in 1986, and declined to 19.3 percent of payroll in 1987. The major reason for the change since 1980 is the significant increase in Social Security taxes. The decline in 1987 was a result of wage supplements increasing at a slower pace than wages and salaries. Some benefits experts point to this recent decline in other labor income reported by the Department of Commerce as an indicator of a renewed preference for pay, rather than benefits, as a result of the lower income tax rates in the Tax Reform Act of 1986.

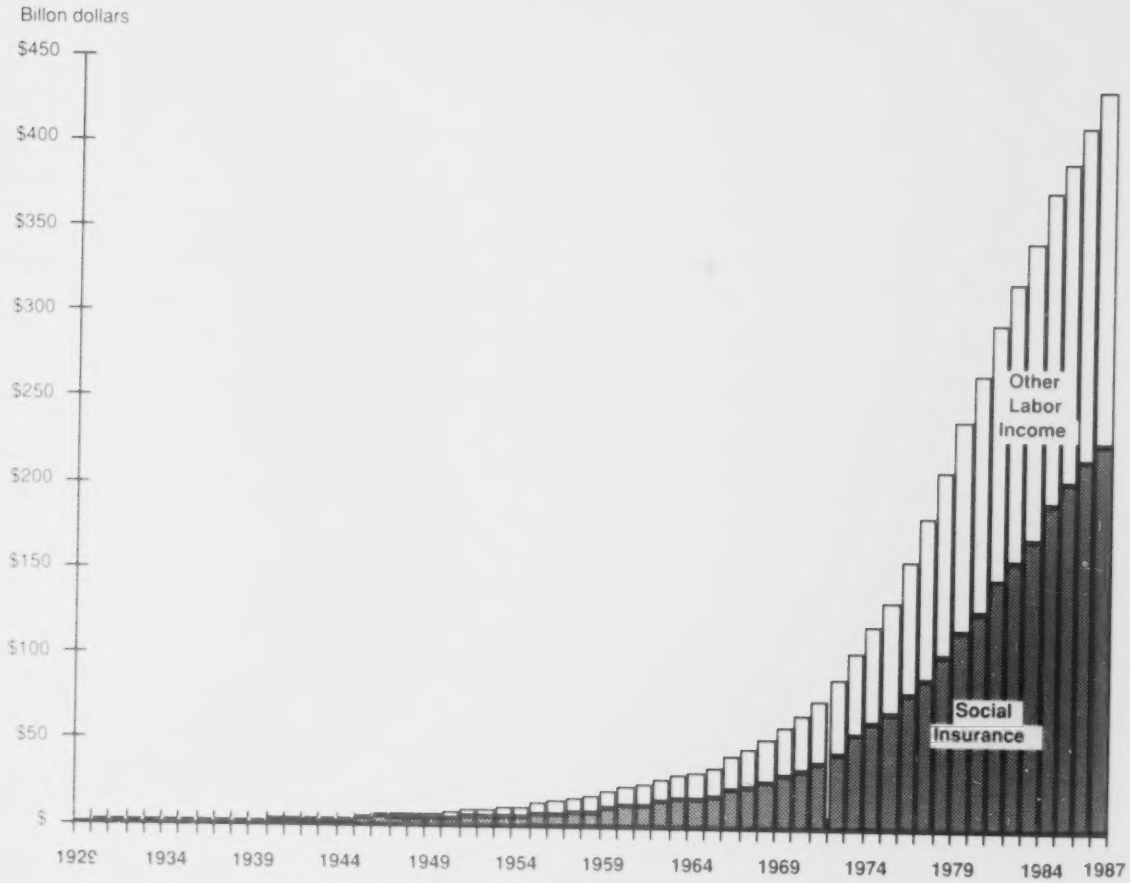
TABLE 18. Supplements to Wages and Salaries, 1929 to 1987

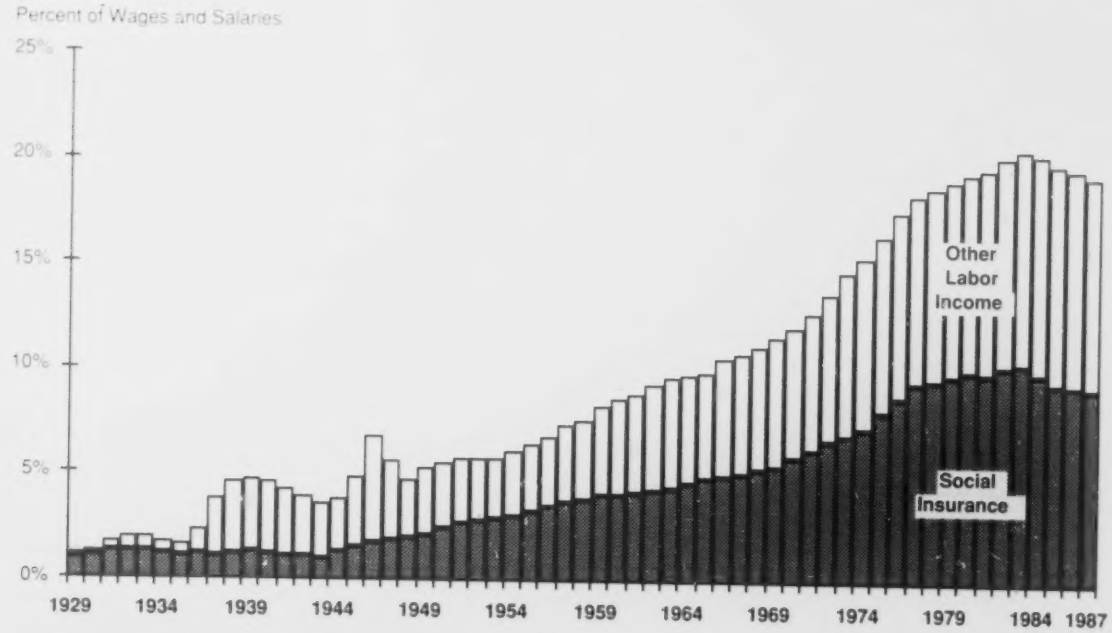
Item	1929	1935	1940	1945	1950	1955	1960	1965	1970	1975	1980	1986	1987
						Million Dollars*							
Total supplements to wages and salaries	662	650	2,311	5,604	7,818	13,238	23,000	34,538	63,240	124,980	242,543	413,097	437,974
Employer contributions for social insurance	101	171	1,624	3,805	4,164	6,216	11,780	16,698	30,733	60,457	115,29[illegible]	217,000	227,100
Federal social insurance funds	29	44	1,469	3,580	3,482	4,957	9,645	13,668	24,889	48,921	92,9[illegible]	182,000	191,300
Old-Age, Survivor, and Disability Insurance			329	630	1,308	2,825	5,632	8,330	16,182	30,490	55,623	98,100	104,100
Hospital Insurance									2,342	5,610	11,623	26,000	27,600
State unemployment insurance		7	813	1,011	1,217	1,221	2,300	3,076	2,493	5,516	12,073	18,200	17,600
Federal unemployment tax			98	174	232	304	343	558	854	1,294	3,463	5,700	5,700
Federal civilian employee retirement	21	32	93	227	316	144	838	1,146	2,215	4,353	7,436	11,800	12,600
Other items	8	5	136	1,538	409	463	532	558	803	1,658	2,707	22,900	23,700
State and local social insurance funds	72	127	155	225	682	1,259	2,135	3,030	5,844	11,536	22,362	34,300	35,800
State and local employee retirement	72	127	155	225	510	985	1,775	2,525	5,091	10,170	19,103	30,000	31,200
Other items					172	274	360	505	753	1,366	3,259	4,300	4,600
Other labor income	561	479	687	1,799	3,654	7,022	11,220	17,840	32,507	64,523	127,246	196,097	207,874
Employer contributions to:													
Private pensions and welfare funds	169	180	282	1,132	3,534	6,845	10,969	17,485	31,937	63,595	125,439	192,471	203,867
Pension and profit-sharing					1,713	3,377	4,866	7,646	13,050	28,253	54,694	52,262	51,490
Group health insurance					781	1,706	3,374	5,890	12,099	24,043	48,949	107,224	115,299
Group life insurance					249	561	1,080	1,651	2,891	4,368	6,203	9,403	9,854
Workers' compensation					791	1,150	1,529	2,177	3,786	6,695	15,208	23,131	26,749
Supplemental unemployment						51	120	121	111	236	345	451	475
Other items	392	299	405	667	120	177	251	355	570	928	1,807	3,626	4,007
						Total supplements as percent of wages and salaries							
All industries	1.3	1.8	4.6	4.8	5.3	6.3	8.5	9.5	11.5	15.5	17.9	19.7	19.3
Agriculture, forestry, and fisheries	0.4	0.5	0.6	0.4	0.6	1.9	4.7	5.6	7.4	10.7	13.4	15.8	15.3
mining	1.6	1.7	5.7	4.0	3.4	10.5	12.2	12.8	15.3	18.5	18.0	19.9	20.1
Contract construction	2.3	3.5	6.6	5.3	5.9	6.5	7.0	8.5	9.9	12.5	14.2	21.4	21.0
Manufacturing	0.9	1.2	5.2	5.1	6.6	8.3	10.8	12.0	14.4	19.6	22.9	22.1	21.7
Transportation	2.0	2.7	6.2	6.0	6.6	7.4	9.6	10.6	12.7	18.7	19.6	22.4	22.4
Communication	2.1	4.4	8.8	8.9	10.1	8.9	11.1	18.2	24.0	28.9	29.5	27.0	26.2
Electric, gas, and sanitary services	1.7	2.2	6.2	9.4	9.2	10.6	12.6	14.4	16.8	22.6	24.1	24.2	23.7
Wholesale and retail trade	0.6	0.8	3.9	3.4	3.8	4.3	6.4	7.6	9.4	11.9	13.8	15.2	14.9
Finance, insurance, and real estate	2.4	2.6	6.0	5.1	6.1	7.5	9.6	11.4	13.3	17.8	18.8	17.5	16.8
services	0.4	0.6	2.4	2.2	2.5	3.3	5.1	6.2	7.9	11.5	13.0	14.1	13.8
Government and government enterprises	3.2	3.4	4.1	5.3	4.2	4.1	7.2	7.9	10.0	14.2	17.7	25.9	26.0
All private enterprises	1.1	1.4	4.8	4.5	5.5	6.7	8.7	9.9	11.9	15.9	17.9	18.3	17.8

Data prior to 1986 do not reflect national income account revisions. The 1986 and 1987 "Other items" under "Federal social insurance funds" also includes military retirement, which was not included in earlier data.

Source: U.S. Department of Commerce Data; Percentages computed by U.S. Chamber of Commerce.
... Not a significant amount or item did not exist in that year.

CHART 4. Supplements to Wages and Salaries, 1929 to 1987





14. HOW EMPLOYEE BENEFITS WERE SURVEYED

As in earlier studies, it was necessary to go directly to the employers for the basic data on employee benefits. The mailing list included previous participants in the surveys and firms in the Survey Research Section's business samples taken from the U.S. Chamber of Commerce membership list. Questionnaires were also sent to firms requesting that they be included in the survey.

There were 1,054 respondents—of which 910 were usable—out of the 12,000 companies in the sample, representing an 8.8 percent response rate.

In 1982, for the first time, the sample included firms with fewer than 100 employees, making the sample more representative of the business community. If the results from the benefit surveys of 1982-86 are compared with earlier surveys, one should be aware of several factors that could affect the findings. The sample size has increased. The composition of the sample was affected by the inclusion of firms from the Survey Research Section's samples of the business community, which represented a scientific cross-section of U.S. business by industry, size of firm, and geographical region.

Employees Covered

This study covers all employees for the surveyed firms except for officers. We have collected data for both hourly-paid and salaried employees and have published them together for aggregate benefits data, and separately in tables 4a, 4b, and 4c to derive separate benefit levels for salaried and hourly-paid employees. We will further analyze the data and publish additional findings in the months ahead.

Computation Method

The method of computation used in this study is outlined below. Also shown is a procedure for computing a company's benefit payments on a basis comparable to that used in this report.

In combining company data to form industry averages, the payrolls for individual companies were added together and the percentage of payroll given to benefits was derived by dividing the total cost for each benefit by total payroll. This results in the data being weighted by size of payroll for each of the participating firms. However, the tables by size of firm and industry allows each firm to compare its benefit levels with firms of similar size in the same industry.

Your Company's Employee Benefits

After the U.S. Chamber's previous benefits studies were published, several companies inquired how their data might be compiled on a comparable basis. This can be done by completing the questionnaire on pages 38-45 and performing the following computations.

1. Total benefit payments (Questionnaire items B through H). $_____

2. "Full-time equivalent" employees (In questionnaire item J, divide the hours for all employees by the hours for a full-time employee) _____

Employee benefit payments as:

Percent of payroll (Item 1 above, divided by questionnaire item A-7) _____

Cents per payroll hour (Item 1 above, divided by the total hours for all employees in questionnaire item J) _____

Dollars per year per employee (Item 1 above, divided by item 2 above) $_____

15. COPY OF QUESTIONNAIRE USED IN SURVEY

Please return the completed questionnaire to:

ECONOMIC POLICY DIVISION/EMPLOYEE BENEFITS SURVEY
U.S. CHAMBER OF COMMERCE/WASHINGTON, D.C. 20062

CONFIDENTIAL

EMPLOYEE BENEFITS SURVEY—1987

For Office Coding—Leave Blank

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INSTRUCTIONS

1. **It is confidential**—Data from individual firms will not be disclosed. Data will be published only in the form of totals for groups of companies. Only the researchers will see your questionnaire(s).

2. **Company coverage**—If you have several divisions or plants, data covering any ***typical*** group of employees will be satisfactory.

3. **Employees covered in survey**—In previous years, only hourly-paid employees were surveyed. This year we are surveying ***both*** hourly-paid and salaried employees, if this break-out is available.

   If the break-out is available, please fill out separate surveys for hourly-paid and salaried employees. The hourly-paid employee survey begins on this page and the salaried employee survey begins on page 5.

HOURLY-PAID EMPLOYEE SURVEY AND/OR COMBINED TOTAL OF SALARIED AND HOURLY PAID EMPLOYEES IF NOT AVAILABLE SEPARATELY

We will continue to survey hourly-paid employees under the guidelines used in the past for purposes of historical comparison. Therefore, when filling out the questionnaire surveying hourly-paid workers, ***include data for workers whose pay varies with the number of hours worked.*** In addition, include data for ***salaried*** employees if their pay varies if they work overtime or less than full-time; but do not include them if they receive their regular pay regardless of hours worked.

Organizations having difficulty making this employee separation between hourly-paid and salaried workers (e.g., banks, hospitals, financial institutions) should include all nonsupervisory employees and all working supervisors in this hourly-paid employee survey, ***regardless of method of payment.*** However, please ***exclude*** all officers of company.

4. **Approximate or incomplete data**—If you are unable to give exact data for the various items, please give estimates—***your best estimate is much better than a zero.*** If you cannot break down the data on payments exactly as they are outlined, please give the data that is available. Also, please indicate the items or benefits for which payments were made, but for which you cannot give separate figures.

Show actual data or best estimate for employees covered in survey.

A. GROSS PAYROLL FOR EMPLOYEES IN SURVEY:

- For this item, report ***actual*** wages (***not*** take-home pay after deductions have been made). Report on line A-1 the straight-time wages for all hours, including pay for time ***not*** worked, plus payments in lieu of vacations and holidays.
- Report premium and bonus payments on lines other than line A-1. Thus, if your firm paid $15,000 in overtime pay and the overtime rate is time and one-half, put $10,000 on line A-1, and $5,000 in premium pay on line A-2.

Include BONUS AND PREMIUM PAY ONLY on lines 2-6. Report straight-time pay on line 1.

	Total amount for 1987	
1. Straight-time for employees in survey	$ _____	34
2. Overtime premium pay	$ _____	46
3. Holiday premium pay	$ _____	58
4. Shift differential	$ _____	70
5. Earned incentive or production bonus	$ _____	82
6. Other (Specify: _____)	$ _____	94
7. TOTAL GROSS PAYROLL	$ _____	106

B. LEGALLY-REQUIRED PAYMENTS (*employer's* share only):

1. Old-Age, Survivors, Disability, and Health Insurance (employer FICA taxes) and Railroad Retirement Tax	$ _____	118
2. Unemployment Compensation (federal and state taxes)	$ _____	130
3. Workers' Compensation (estimate cost if self-insured)	$ _____	142
4. State sickness benefits insurance	$ _____	154
5. Other (Specify: _____)	$ _____	166
6. TOTAL	$ _____	178

C. RETIREMENT AND SAVINGS PLAN PAYMENTS (*employer's* share only):

- ITEM C-4 (PENSION AND INSURANCE PREMIUMS)—For pension and insurance premiums, report ***net*** payments after deducting any dividends or credits returned to employer by insurer.

1. Defined benefit pension plan contributions (a defined benefit plan is one that is insured by the Pension Benefit Guaranty Corporation involving a promise to pay a fixed level of benefits on retirement)	$ _____	190
2. Defined contribution plan payments (a defined contribution plan is one that provides for an individual account for each participant and for benefits based on the amount contributed to the participant's account)		
a. 401K or similar payments (employers share only)	$ _____	202
b. Profit-sharing payments (employer contributions are based on current profits of the business, fluctuating with current profit levels)	$ _____	214
c. Stock bonus and employee stock ownership plans (ESOP)	$ _____	226
3. Money purchase plans	$ _____	238
4. Pension plan premiums (net) under insurance and annuity contracts (insured and trusteed)	$ _____	250
5. Costs of plan administration (please estimate the administrative costs paid separately or as part of contributions to the plan)	$ _____	262
6. Other (Specify: _____)	$ _____	274
7. TOTAL	$ _____	286
8. Please report the number of employees participating in your company's retirement and savings plan programs	_____	298

D. LIFE INSURANCE AND DEATH BENEFITS (*employer's* share only):

- Exclude premiums for life insurance purchased under a pension plan. Such premiums should be reported under item C-4.

1. Life insurance premiums (net)	$ _____	304
2. Death benefits not covered by insurance	$ _____	316
3. TOTAL	$ _____	328

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E. MEDICAL AND MEDICALLY-RELATED BENEFIT PAYMENTS (*employer's* share only):

1. Hospital, surgical, medical, and major medical insurance premiums (net) ..... $_____ 340
2. Self-insured hospital, surgical, medical, and major medical payments ..... $_____ 352
3. Short-term disability, sickness or accident insurance (company plan or insured plan) ..... $_____ 364
4. Long-term disability or wage continuation (insured, self-administered, or trust) ..... $_____ 376
5. ***Retiree*** (payments for retired employees) hospital, surgical, medical, and major medical insurance premiums (net) ..... $_____ 388
6. Self-insured ***retiree*** (payments for retired employees) hospital, surgical, medical, and major medical payments ..... $_____ 400
7. Dental insurance premiums ..... $_____ 412
8. Vision care and prescription drugs ..... $_____ 424
9. Physical and mental fitness programs ..... $_____ 436
10. Medically-related benefits for ***former*** workers and family members, such as the continuation of health benefit payments after termination of employment (do not include payments to retirees and/or for maternity leave) ..... $_____ 448
11. Other (Specify: _____) ..... $_____ 460
12. TOTAL ..... $_____ 472

F. PAID REST PERIODS, COFFEE BREAKS, LUNCH PERIODS, WASH-UP TIME, TRAVEL TIME, CLOTHES-CHANGE TIME, GET-READY TIME, ETC.

- This should be reported if time is paid for, whether or not there is a formal work rule providing for such time off. A simple rule of thumb is that if employees typically take two 10-minute rest periods per day, this would amount to approximately 4% of gross payroll; if two 15-minute breaks are taken, the figure would come to 6% of gross payroll (Item A-7). $_____ 484

G. PAYMENTS FOR TIME NOT WORKED:

1. Payments for or in lieu of vacations (for estimating purposes, each week of paid vacation = .01925 x straight-time pay) ..... $_____ 496
   If unable to estimate a dollar figure, please indicate the average number of days of vacation an employee receives a year. _____
2. Payments for or in lieu of holidays (for estimating purposes, each paid holiday = .00385 x straight-time pay) ..... $_____ 508
   If unable to estimate a dollar figure, please indicate the average number of paid holidays an employee receives a year. _____
3. Sick leave pay ..... $_____ 520
4. Parental leave (maternity and paternity leave payments) ..... $_____ 532
5. Payments required under guaranteed workweek or work year—only that part that represents payment for time not worked ..... $_____ 544
6. Payments for State or National guard duty; jury, witness, and voting pay allowances; payments for time lost due to death in family; or other personal reasons ..... $_____ 556
7. Other (Specify: _____) ..... $_____ 568
8. TOTAL ..... $_____ 580

H. MISCELLANEOUS BENEFIT PAYMENTS (*employer's* share only):

1. Discounts on goods and services purchased from company by employees ..... $_____ 592
2. Employee meals furnished by company ..... $_____ 604
3. Child care: a. On-site child care ..... $_____ 616
   b. Third-party provided care ..... $_____ 628
4. Parking ..... $_____ 640
5. Employee education expenditures (tuition refunds, seminar attendance, etc.) ..... $_____ 652
6. Payments for legal counselling ..... $_____ 664
7. Payments to union stewards or officials for time spent in settling grievances or in negotiating agreements ..... $_____ 676
8. Christmas or other special bonuses (not tied to profits), service awards, suggestion awards, etc. ..... $_____ 700
9. Other (Specify: _____) ..... $_____ 712
10. TOTAL ..... $_____ 724

I. EMPLOYEE PAYROLL DEDUCTIONS (*employee's* share only):

- For this question, report deductions from ***employee*** pay. Employer contributions are reported in questions B-E.

1. Old-Age, Survivors, Disability, and Health Insurance (employee FICA taxes) and Railroad Retirement Taxes ..... $ _____ 736
2. Retirement and Savings Plan payments (including 401K and similar programs) ..... $ _____ 748
3. Life insurance premiums ..... $ _____ 760
4. Medical and Medically-Related Benefits Payments ..... $ _____ 772
5. Other (Specify: _____). Do not include deductions for income tax ..... $ _____ 784
6. TOTAL ..... $ _____ 796

J. EMPLOYEE HOURS

- These figures include hours worked or paid for (including time actually worked, ***plus*** holidays, vacation, sick leave, and other time paid for but not worked).

1. Total hours of a **typical full-time employee** during 1987 _____ (average number of hours per week per employee) × 52 = _____ (total hours during 1987 per employee) 808

2. Total hours of **all** employees in survey during 1987
   - The total number of hours worked or paid for of all employees covered in the survey, corresponds to earnings given on line A-1.

_____ (total hrs. during 1987 per employee) × _____ (average number of employees included in your survey data for 1987) = _____ (total hours of all employees in 1987) 812

PRIMARY STANDARD INDUSTRIAL CLASSIFICATION CODE (SIC Code) = _____

- If you do not know your SIC Code, please give a description of the major type of business and/or the principal lines or products manufactured or handled.

_____

_____

SUPPLEMENTAL QUESTIONS

Please answer the following questions:

For Office Coding—Leave Blank: _____ 81

1. Does your firm have a fixed benefit plan or a cafeteria plan (a cafeteria plan is one that allows employees to choose between benefits and/or benefit plans)? (Check appropriate box)
   Fixed Benefit Plan ☐ F
   Cafeteria Plan ☐ C 6
2. What is the estimated percentage of part-time workers as the percentage of your total work-force (part-time workers are those who work less hours than the normal work week)? _____ 7
3. If you provide benefits to part-time employees, which benefits do you provide?
   All ..... Yes ☐ No ☐ 12
   Health ..... Yes ☐ No ☐ 13
   Retirement ..... Yes ☐ No ☐ 14
   Vacations ..... Yes ☐ No ☐ 15
   Bonuses ..... Yes ☐ No ☐ 16
   Others (please specify: _____)
4. Please estimate your company's total annual costs for providing the following types of parental leave benefits to employees if offered in 1987 (exclude disability leave payments):
   a. Payment for time off upon the birth or adoption of a child ..... $ _____ 17
   b. Payment for time off for mother-child bonding period ..... $ _____ 29
   c. Payment for time off for a sick child ..... $ _____ 41
5. Does your organization provide ***unpaid*** leave for the following:
   a. Unpaid leave for time off upon the birth or adoption of a child ..... Yes ☐ No ☐ 53
   b. Unpaid leave for time off for mother-child bonding period ..... Yes ☐ No ☐ 54
   c. Unpaid leave for time off for a sick child ..... Yes ☐ No ☐ 55
6. Please report the number of employees participating in your parental leave plans ..... _____ 56

Please list the name, title and phone number of the person who is responsible for filling out this questionnaire in case our researchers have any questions.

Name _____ Title _____ ( ) Phone Number _____

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EMPLOYEE BENEFITS SURVEY—1987

SALARIED EMPLOYEE SURVEY (IF NOT INCLUDED IN SECTION 1)

If you are **not** filling in this section, please turn to page 8.

INSTRUCTIONS

1. **It is confidential**—Data from individual firms will not be disclosed. Data will be published only in the form of totals for groups of companies. Only the researchers will see your questionnaire(s).

2. **Company coverage**—If you have several divisions or plants, data covering any ***typical*** group of employees will be satisfactory.

3. **Employees covered in survey**—In previous years, only hourly-paid employees were surveyed. This year we are surveying ***both*** hourly-paid and salaried employees, if this break-out is available.

   The salaried employee benefits survey is limited to employees whose pay does ***not*** vary with the number of hours worked.

   If you had difficulty making the employee separation for the hourly-paid survey, and included non-supervisory and working supervisors ***regardless of method of payment*** in that survey, please do ***not*** fill out the salaried employee survey.

4. **Approximate or incomplete data**—If you are unable to give exact data for the various items, please give estimates—***your best estimate is much better than a zero***. If you cannot break down the data on payments exactly as they are outlined, please give the data that is available. Also, please indicate the items or benefits for which payments were made, but for which you cannot give separate figures.

Show actual data or best estimate for employees covered in survey.

A. GROSS PAYROLL FOR EMPLOYEES IN SURVEY:

- For this item, report ***actual*** salaries (***not*** take-home pay after deductions have been made). Report on line A-1 the salaries for all hours, including pay for time ***not*** worked, plus payments in lieu of vacations and holidays.

	Total amount for 1987	
1. Total salaries for employees in survey	$	61

B. LEGALLY-REQUIRED PAYMENTS (***employer's*** share only):

1. Old-Age, Survivors, Disability, and Health Insurance (employer FICA taxes) and Railroad Retirement Tax	$	73
2. Unemployment Compensation (federal and state taxes)	$	85
3. Workers' Compensation (estimate cost if self-insured)	$	97
4. State sickness benefits insurance	$	109
5. Other (Specify: _____)	$	121
6. TOTAL	$	133

C. RETIREMENT AND SAVINGS PLAN PAYMENTS (***employer's*** share only):

- ITEM C-4 (PENSION AND INSURANCE PREMIUMS)—For pension and insurance premiums, report ***net*** payments after deducting any dividends or credits returned to employer by insurer.

1. Defined benefit pension plan contributions (a defined benefit plan is one that is insured by the Pension Benefit Guaranty Corporation involving a promise to pay a fixed level of benefits on retirement)	$	145
2. Defined contribution plan payments (a defined contribution plan is one that provides for an individual account for each participant and for benefits based on the amount contributed to the participant's account)		
a. 401K or similar payments (employers share only)	$	157
b. Profit-sharing payments (employer contributions are based on current profits of the business, fluctuating with current profit levels)	$	169
c. Stock bonus and employee stock ownership plans (ESOP)	$	181
3. Money purchase plans	$	193
4. Pension plan premiums (net) under insurance and annuity contracts (insured and trusteed)	$	205
5. Costs of plan administration (please estimate the administrative costs paid separately or as part of contributions to the plan)	$	217
6. Other (Specify: _____)	$	229
7. TOTAL	$	241
8. Please report the number of employees participating in your company's retirement and savings plan programs		253

D. LIFE INSURANCE AND DEATH BENEFITS (***employer's*** share only):

- Exclude premiums for life insurance purchased under a pension plan. Such premiums should be reported under item C-4.

1. Life insurance premiums (net)	$	259
2. Death benefits not covered by insurance	$	271
3. TOTAL	$	283

E. MEDICAL AND MEDICALLY-RELATED BENEFIT PAYMENTS (***employer's*** share only):

1. Hospital, surgical, medical, and major medical insurance premiums (net)	$	295
2. Self-insured hospital, surgical, medical, and major medical payments	$	307
3. Short-term disability, sickness or accident insurance (company plan or insured plan)	$	319
4. Long-term disability or salary continuation (insured, self-administered, or trust)	$	331
5. ***Retiree*** (payments for retired employees) hospital, surgical, medical, and major medical insurance premiums (net)	$	343
6. Self-insured ***retiree*** (payments for retired employees) hospital, surgical, medical, and major medical payments	$	355
7. Dental insurance premiums	$	367
8. Vision care and prescription drugs	$	379
9. Physical and mental fitness programs	$	391

10. Medically-related benefits for ***former*** workers and family members, such as the continuation of health benefit payments after termination of employment (do not include payments to retirees and/or for maternity leave) ..... $_____ 403
11. Other (Specify: _____) $_____ 415
12. TOTAL ..... $_____ 427

F. PAYMENTS FOR TIME NOT WORKED:

1. Payments for or in lieu of vacations (for estimating purposes, each week of paid vacation = .01925 x straight-time pay) ..... $_____ 439
   If unable to estimate a dollar figure, please indicate the average number of days of vacation an employee receives a year. _____.
2. Payments for or in lieu of holidays (for estimating purposes, each paid holiday = .00385 x straight-time pay) ..... $_____ 451
   If unable to estimate a dollar figure, please indicate the average number of paid holidays an employee receives a year. _____
3. Sick leave pay ..... $_____ 463
4. Parental leave (maternity and paternity leave payments) ..... $_____ 475
5. Payments for State or National guard duty; jury, witness, and voting pay allowances; payments for time lost due to death in family; or other personal reasons ..... $_____ 487
6. Other (Specify: _____) ..... $_____ 499
7. TOTAL ..... $_____ 511

G. MISCELLANEOUS BENEFIT PAYMENTS (***employer's*** share only):

1. Discounts on goods and services purchased from company by employees ..... $_____ 523
2. Employee meals furnished by company ..... $_____ 535
3. Child care: a. On-site child care ..... $_____ 547
   b. Third-party provided care ..... $_____ 559
4. Parking ..... $_____ 571
5. Employee education expenditures (tuition refunds, seminar attendance, etc.) ..... $_____ 583
6. Payments for legal counselling ..... $_____ 595
7. Christmas or other special bonuses (not tied to profits), service awards, suggestion awards, etc. ..... $_____ 607
8. Other (Specify: _____) ..... $_____ 619
9. TOTAL ..... $_____ 631

H. EMPLOYEE PAYROLL DEDUCTIONS (***employee's*** share only):

- For this question, report deductions from ***employee*** pay. Employer contributions are reported in questions B-E.

1. Old-Age, Survivors, Disability, and Health Insurance (employee FICA taxes) and Railroad Retirement Taxes ..... $_____ 643
2. Retirement and Savings Plan payments ..... $_____ 655
3. Life insurance premiums ..... $_____ 667
4. Medical and Medically-Related Benefits Payments ..... $_____ 679
5. Other (Specify: _____). Do not include deductions for income tax ..... $_____ 691
6. TOTAL ..... $_____ 703

I. EMPLOYEE HOURS

- These figures include hours worked or paid for (including time actually worked, ***plus*** holidays, vacation, sick leave, and other time paid for but not worked).

1. Total hours of a **typical full-time employee** during 1987:

   _____ (average number of hours per week per employee) × 52 = _____ (total hours during 1987 per employee) 715

2. Total hours of **all** employees in survey during 1987:

   _____ (total hrs. during 1987 per employee) × _____ (average number of employees included in your survey data for 1987) = _____ (total hours of all employees in 1987) 719

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SUPPLEMENTAL QUESTIONS

Please answer the following questions:

1. Does your firm have a fixed benefit plan or a cafeteria plan (a cafeteria plan is one that allows employees to choose between benefits and/or benefit plans)?

	(Check appropriate box)	
Fixed Benefit Plan	F ☐	
Cafeteria Plan	C ☐	731

2. Please estimate your company's total annual costs for providing the following types of parental leave benefits to employees if offered in 1987 (exclude disability leave payments):
   a. Payment for time off upon the birth or adoption of a child ..... $_____ 732
   b. Payment for time off for mother-child bonding period ..... $_____ 744
   c. Payment for time off for a sick child ..... $_____ 756

3. Does your organization provide ***unpaid*** leave for the following:
   a. Unpaid leave for time off upon the birth or adoption of a child ..... Yes ☐ No ☐ 768
   b. Unpaid leave for time off for mother-child bonding period ..... Yes ☐ No ☐ 769
   c. Unpaid leave for time off for a sick child ..... Yes ☐ No ☐ 770

4. Please report the number of employees participating in your parental leave plans ..... _____ 771

Please list the name, title and phone number of the person who is responsible for filling out this questionnaire in case our researchers have any questions.

Name _____ Title _____ ( ) Phone Number _____

Whether you completed Section 1 only or Sections 1 and 2, please fill in the type of industry and size of company below.

Industry Code

Please circle the code number which corresponds to the type of business your company conducts.

Code	Category
Manufacturing firms	
101	Food, beverages, and tobacco
102	Textile products and apparel
103	Pulp, paper, lumber and furniture
104	Printing and publishing
105	Chemicals and allied products
106	Petroleum industry
107	Rubber, leather, and plastic products
108	Stone, clay and glass products
109	Primary metal industries
110	Fabricated metal products (excluding machinery and transportation equipment)
111	Machinery (excluding electrical)
113	Electrical machinery, equipment, and supplies
114	Transportation equipment
115	Instruments and miscellaneous manufacturing industries
Non manufacturing firms	
201	Public utilities (electric, gas, water, telephone, etc.)
202	Department stores
203	Trade (wholesale and other retail)
204	Banks, finance companies, and trust companies
205	Insurance companies
206	Miscellaneous nonmanufacturing industries
207	Hospitals
	Type of business _____

Size Code

Please circle the code number which corresponds to the number of people employed by your company.

Code	Number of Employees
0	1-9
1	10-49
2	50-99
3	100-499
4	500-999
5	1000-2499
6	2500-4999
7	5000 plus

Actual number of employees _____.

Please return the completed questionnaire to:
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U.S. CHAMBER OF COMMERCE/WASHINGTON, D.C. 20062

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